

EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

August 4, 2005

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

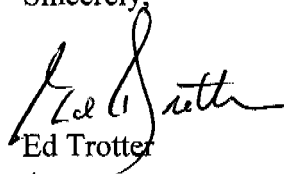
RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT 1024-10
NW/NW, SEC. 10, T9S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: U-0281
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,



Ed Trotter
Agent
EOG Resources, Inc.

Attachments

RECEIVED

AUG 16 2005

DIV. OF OIL, GAS & MINING

CWU 1024-10 B

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL

☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
EOG RESOURCES, INC.

3a. Address **P.O. BOX 1815
VERNAL, UT 84078**

3b. Phone No. (Include area code)
(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface **613' FNL, 693' FWL**
At proposed prod. Zone

633708X 40.056138
4434955Y -109.432387
NW/NW

5. Lease Serial No.

U-0281

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
CHAPITA WELLS UNIT

8. Lease Name and Well No.

CHAPITA WELLS UNIT 1024-10

9. API Well No.

43-047-36973

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area

**SEC. 10, T9S, R22E,
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office*

15.8 MILES SOUTHEAST OF OURAY, UTAH

12. County or Parish

UINTAH

13. State

UTAH

15. Distance from proposed*

location to nearest
property or lease line, ft. **613'**
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

2558

17. Spacing Unit dedicated to this well

18. Distance from proposed location*

to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

9910'

20. BLM/BIA Bond No. on file

NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

4563.5 FEET GRADED GROUND

22. Approximate date work will start*

UPON APPROVAL

23. Estimated duration

45 DAYS

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

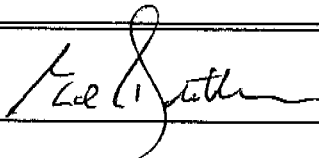
3. A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file
(see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required
by the authorized officer.

25. Signature



Name (Printed/Typed)

Ed Trotter

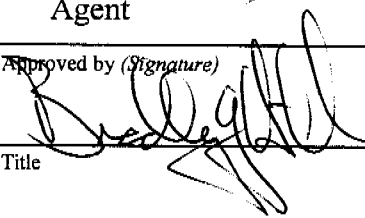
Date

August 4, 2005

Title

Agent

Approved by (Signature)



Name (Printed/Typed)

**BRADLEY G. HILL
ENVIRONMENTAL SCIENTIST III**

Date

RECEIVED
08-17-05 AUG 16 2005

Title

Office

DIV. OF OIL, GAS & MINING

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

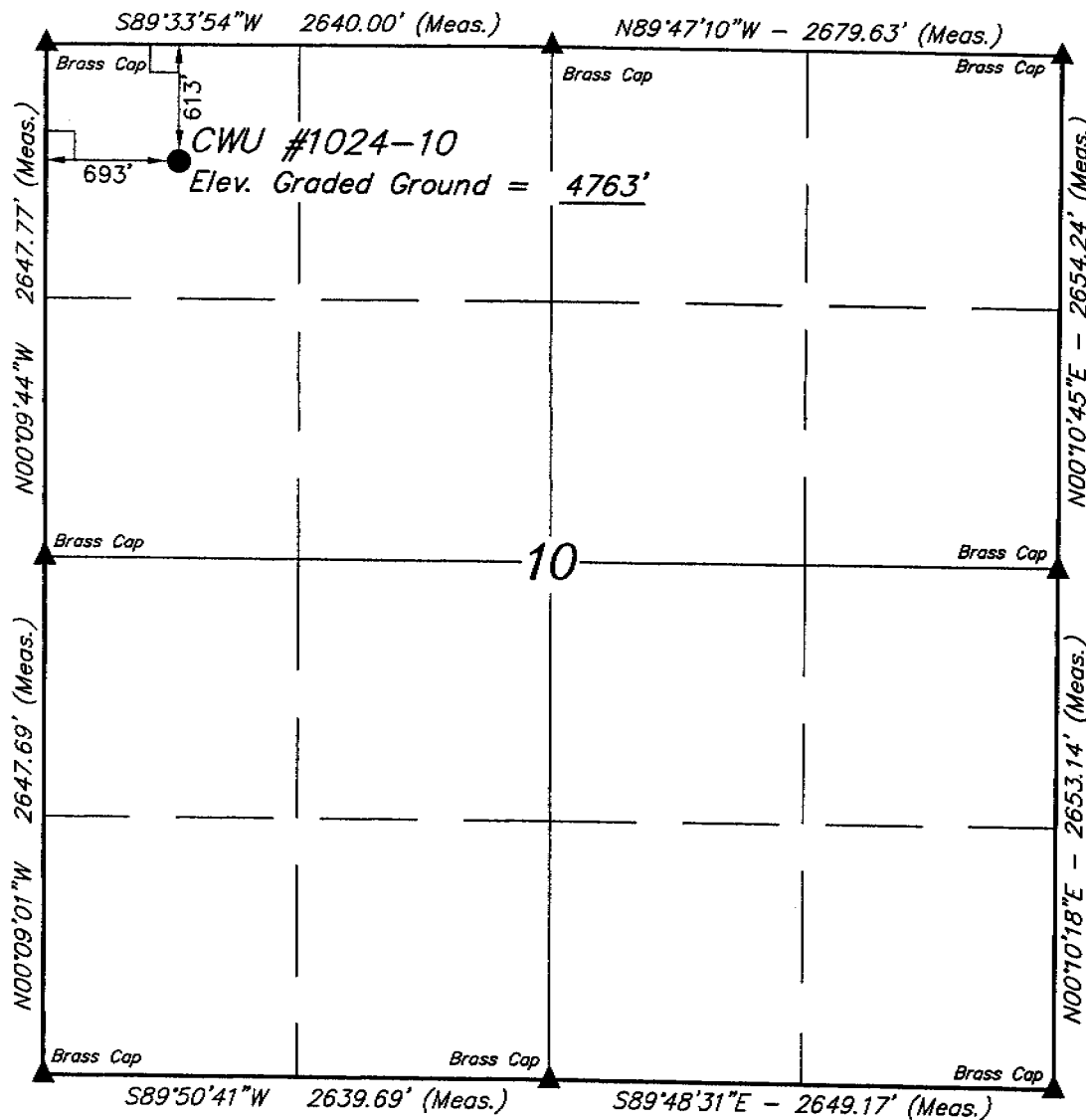
Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

T9S, R22E, S.L.B.&M.



LEGEND:

- └ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = 40°03'22.05" (40.056125)
 LONGITUDE = 109°25'59.07" (109.433075)
 (NAD 27)
 LATITUDE = 40°03'22.17" (40.056158)
 LONGITUDE = 109°25'56.61" (109.432392)

EOG RESOURCES, INC.

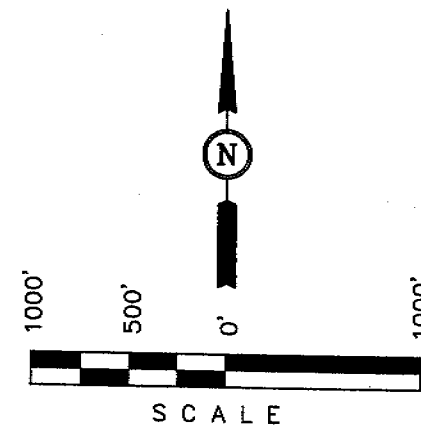
Well location, CWU #1024-10, located as shown in the NW 1/4 NW 1/4 of Section 10, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert H. Hays
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 4-29-05	DATE DRAWN: 5-10-05
PARTY T.B. B.C. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN
CHAPITA WELLS UNIT 1024-10
NW/NW, SEC. 10, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River FM	1,933'
Wasatch	5,012'
North Horn	6,938'
Island	7,454'
KMV Price River	7,755'
KMV Price River Middle	8,429'
KMV Price River Lower	9,280'
Sego	9,711'

Estimated TD: 9,910' or 200'± below Sego top

Anticipated BHP: 5,410 Psig

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
12-1/4"	0' – 2,300'KB±	2,300'±	9-5/8"	36.0#	J-55	ST&C	2020 Psi	3520 Psi	394,000#
7-7/8"	2,300'± – TD	9,910±	4-1/2"	11.6#	N-80	LT&C	6350 Psi	7780 Psi	223,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 1024-10
NW/NW, SEC. 10, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD. Cased hole evaluation logs will be run in lieu of open hole logs.

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 1024-10
NW/NW, SEC. 10, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (2300'± - TD)

Lead: 140 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 930 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: Number of sacks is based on gauged hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

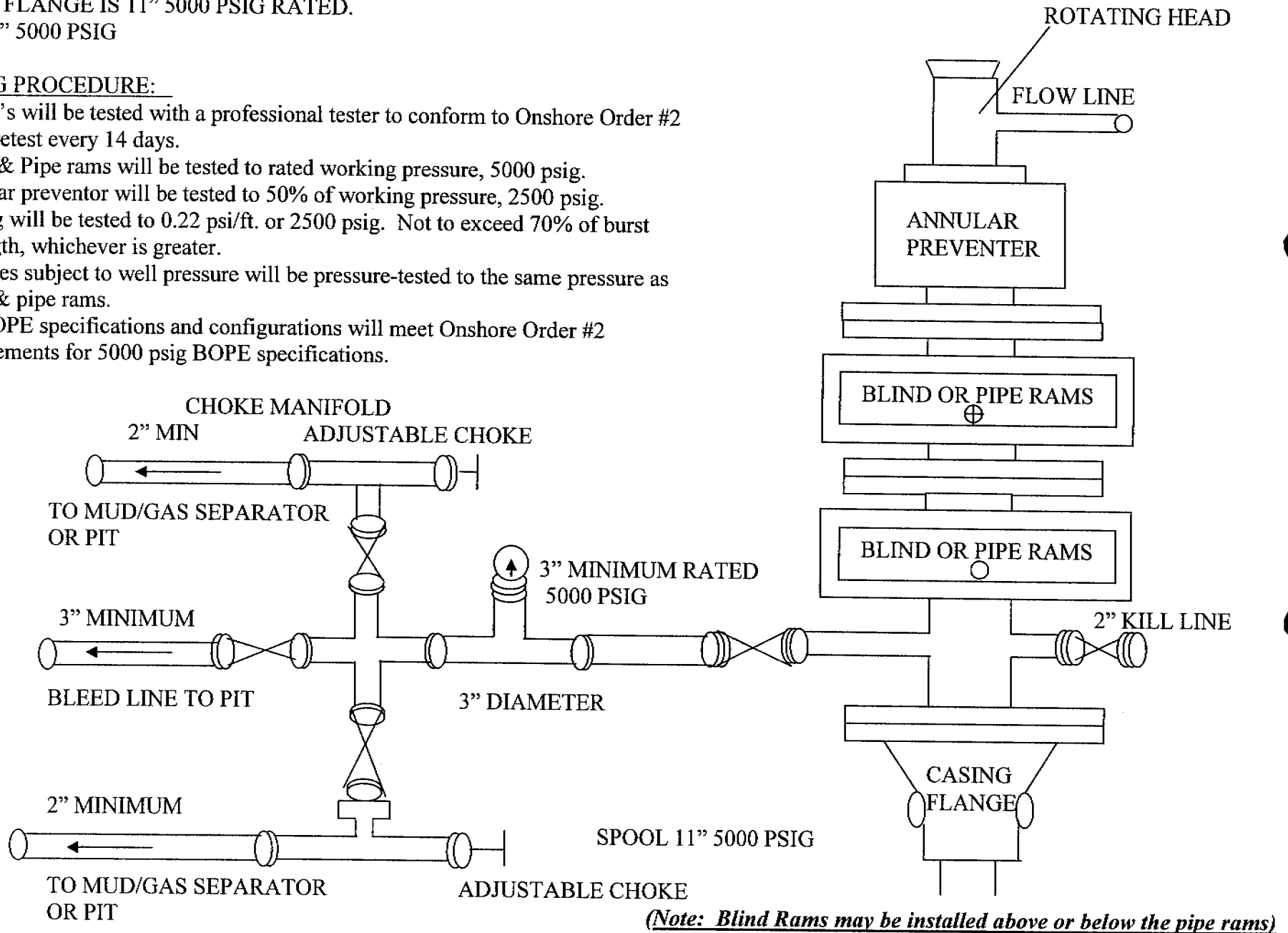
(Attachment: BOP Schematic Diagram)

5000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 5000 PSIG RATED.
CASING FLANGE IS 11" 5000 PSIG RATED.
BOPE 11" 5000 PSIG

TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 5000 psig.
3. Annular preventor will be tested to 50% of working pressure, 2500 psig.
4. Casing will be tested to 0.22 psi/ft. or 2500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 5000 psig BOPE specifications.



**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator: EOG Resources, Inc.
Well Name & Number: Chapita Wells Unit 1024-10
Lease Number: U-0281
Location: 613' FNL & 693' FWL, NW/NW, Sec. 10,
T9S, R22E, S.L.B.&M., Uintah County, Utah
Surface Ownership: Federal

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and
Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related
Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production
Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 15.8 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. An existing access road will be utilized to service this well. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

- A. Abandoned wells - 2*
- B. Producing wells - 38*
- C. Shut in wells - 1*

(*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
- 2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the South side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All tanks and equipment will be painted Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

- B. Water from drilling fluids and recovered during testing operations will be

disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

8. ANCILLARY FACILITIES

- A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
 - Gardner Salt Bush – 4 pounds per acre
 - Shad Scale – 3 pounds per acre
 - Hi-Crest Crested Wheat Grass – 4 pounds per acre

The reserve pit will be located on the Southwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the West side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil Northwest of Corner #5. The stockpiled location topsoil will be stored between the access road and Corner #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the Northeast.

Corner #6 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast

seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

12. OTHER INFORMATION

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the

application of herbicides or other pesticides or possible hazardous chemicals.

- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

All tanks and equipment will be painted Carlsbad Canyon.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Telephone: (435)789-4120
Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 1024-10 Well, located in the NW/NW of Section 10, T9S, R22E, Uintah County, Utah; Lease #U-0281;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

8-4-2005
Date

Lee Smith
Agent

EOG RESOURCES, INC.
CWU #1024-10
SECTION 10, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHELY DIRECTION APPROXIMATELY 2.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 46.8 MILES.

EOG RESOURCES, INC.

CWU #1024-10

LOCATED IN UINTAH COUNTY, UTAH
SECTION 10, T9S, R22E, S.L.B.&M.

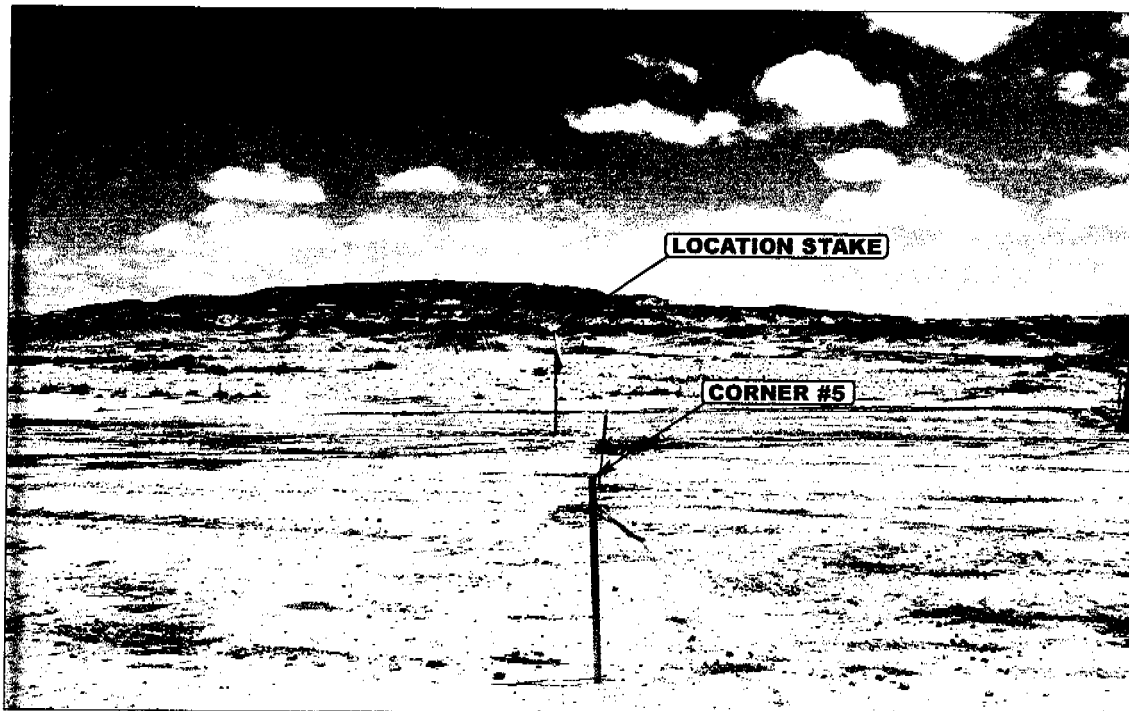


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

ELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

05 09 05
MONTH DAY YEAR

PHOTO

TAKEN BY: T.B.

DRAWN BY: C.H.

REVISED: 00-00-00

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #1024-10
SECTION 10, T9S, R22E, S.L.B.&M.
613' FNL 693' FWL

Prevailing

N

Winds

Existing Access Road

SCALE: 1" = 50'
DATE: 5-10-05
Drawn By: L.K.

C-6.0'
El. 69.5'

C-3.4'
El. 66.9'

C-4.8'
El. 68.3'

Sta. 3+25

Existing Drainage

Reserve Pit Backfill
& Spoils Stockpile

Round Corners
as needed

Anchor

PIPE RACKS

Anchor

Approx.
Top of
Cut Slope

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.

Pit Topsoil

F-0.3'
El. 63.2'

GRADE
El. 63.5'

El. 63.0'
C-11.5'
(btm. pit)

20' WIDE BENCH
46'

29'

36'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

40.02'

15' WIDE BENCH / DIKE

Total Pit Capacity
W/2' Of Freeboard
= 12,250 Bbls. ±
Total Pit Volume
= 3,320 Cu. Yds.

RESERVE PITS
(12' Deep)

Anchor

SLOPE = 1-1/2 : 1

MUD TANKS

WELL #446-10

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TRASH

150'

Anchor

DOG HOUSE

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

135'

TRAILER

TOILET

FUEL

STORAGE TANK

Existing Drainage

Sta. 1+50

C-5.3'
El. 68.8'

Existing Pipeline

Sta. 0+00

El. 62.6'
C-11.1'
(btm. pit)

20' WIDE BENCH / DIKE

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

4

Reserve Pit Backfill
& Spoils Stockpile

F-0.7'
El. 62.8'

Approx.
Toe of
Fill Slope

C-0.6'
El. 64.1'

NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 4563.5'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

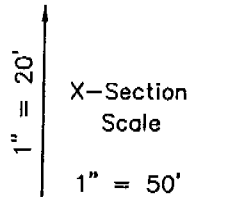
FIGURE #2

TYPICAL CROSS SECTIONS FOR

CWU #1024-10

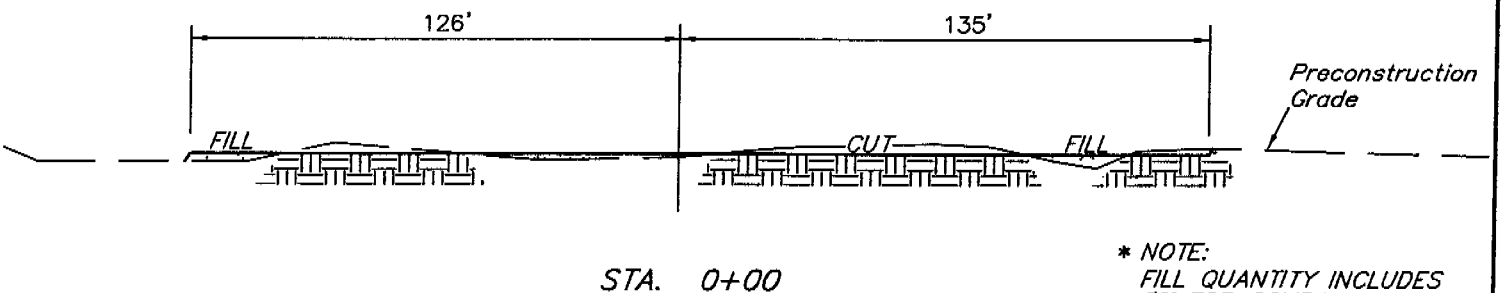
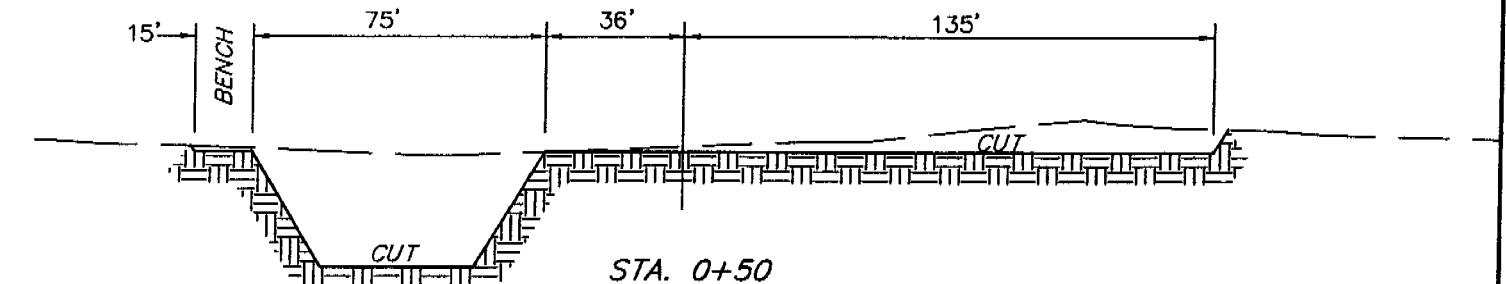
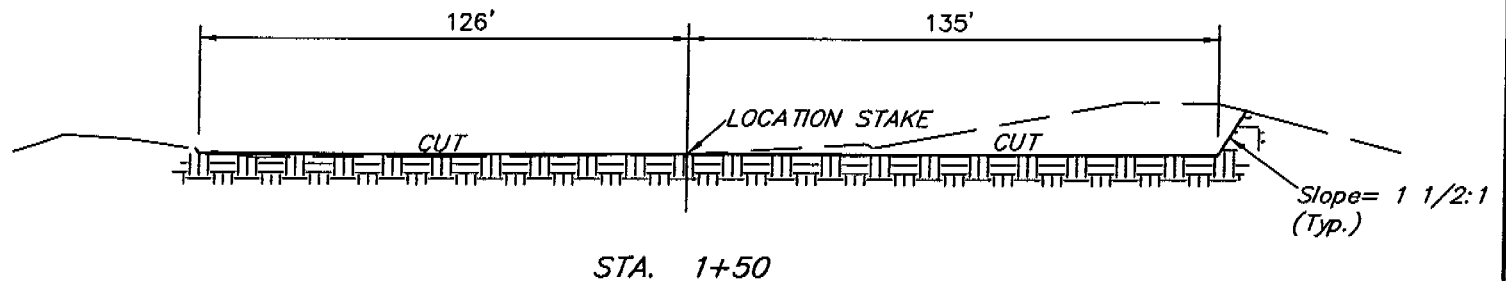
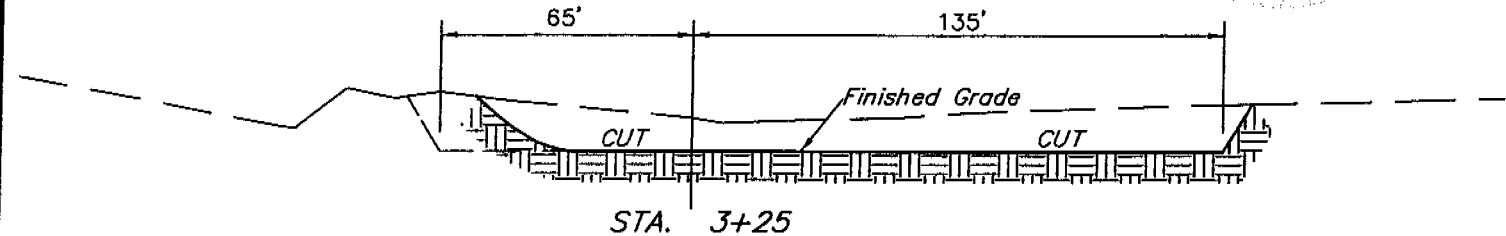
SECTION 10, T9S, R22E, S.L.B.&M.

613' FNL 693' FWL



DATE: 5-10-05
Drawn By: L.K.

[Handwritten Signature]



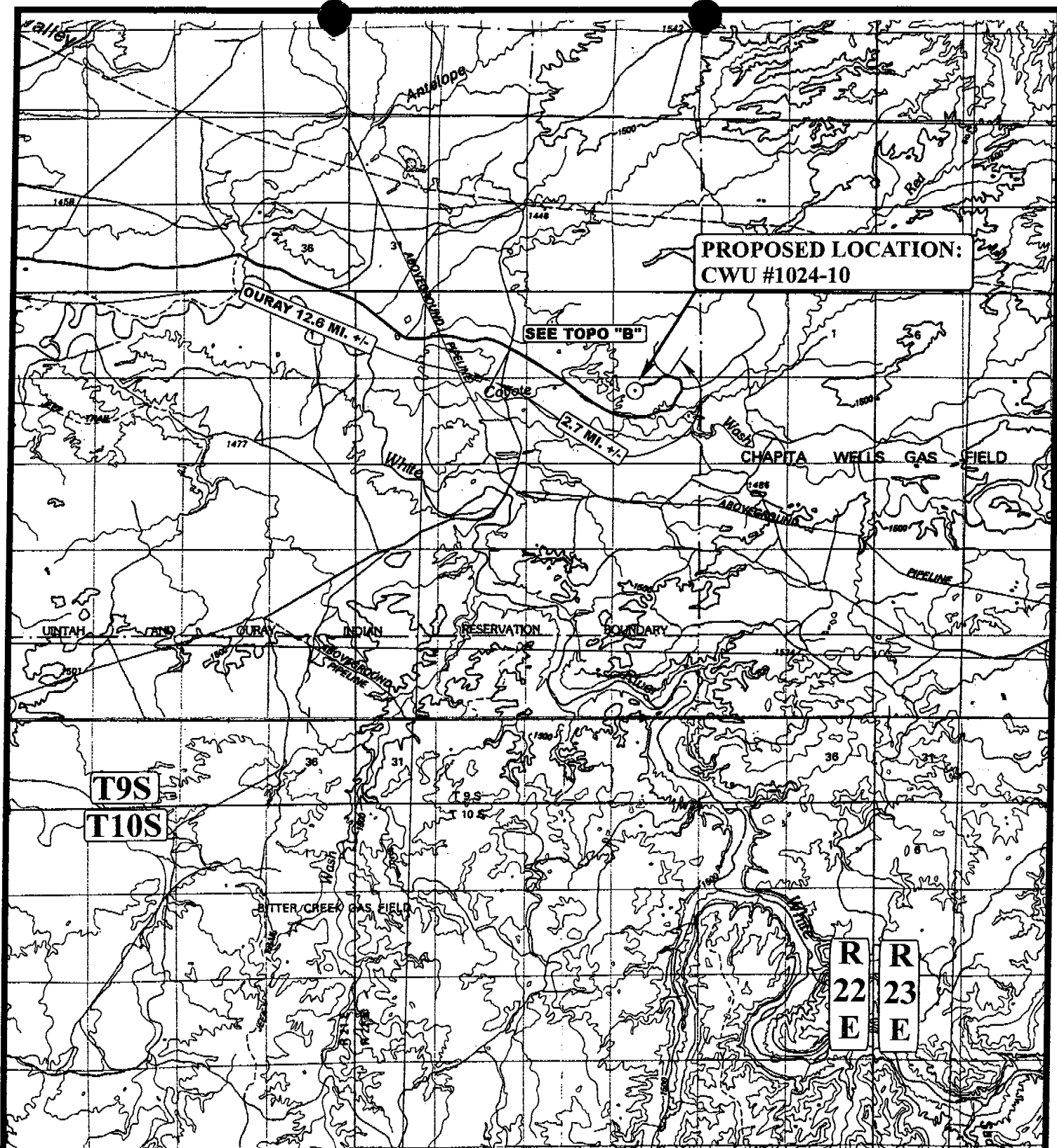
* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,540 Cu. Yds.
New Construction Only	
Remaining Location	= 8,580 Cu. Yds.
TOTAL CUT	= 10,120 CU.YDS.
FILL	= 40 CU.YDS.

EXCESS MATERIAL	= 10,080 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,200 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 6,880 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

○ PROPOSED LOCATION

N



EOG RESOURCES, INC.

CWU #1024-10

SECTION 10, T9S, R22E, S.L.B.&M.

613' FNL 693' FWL



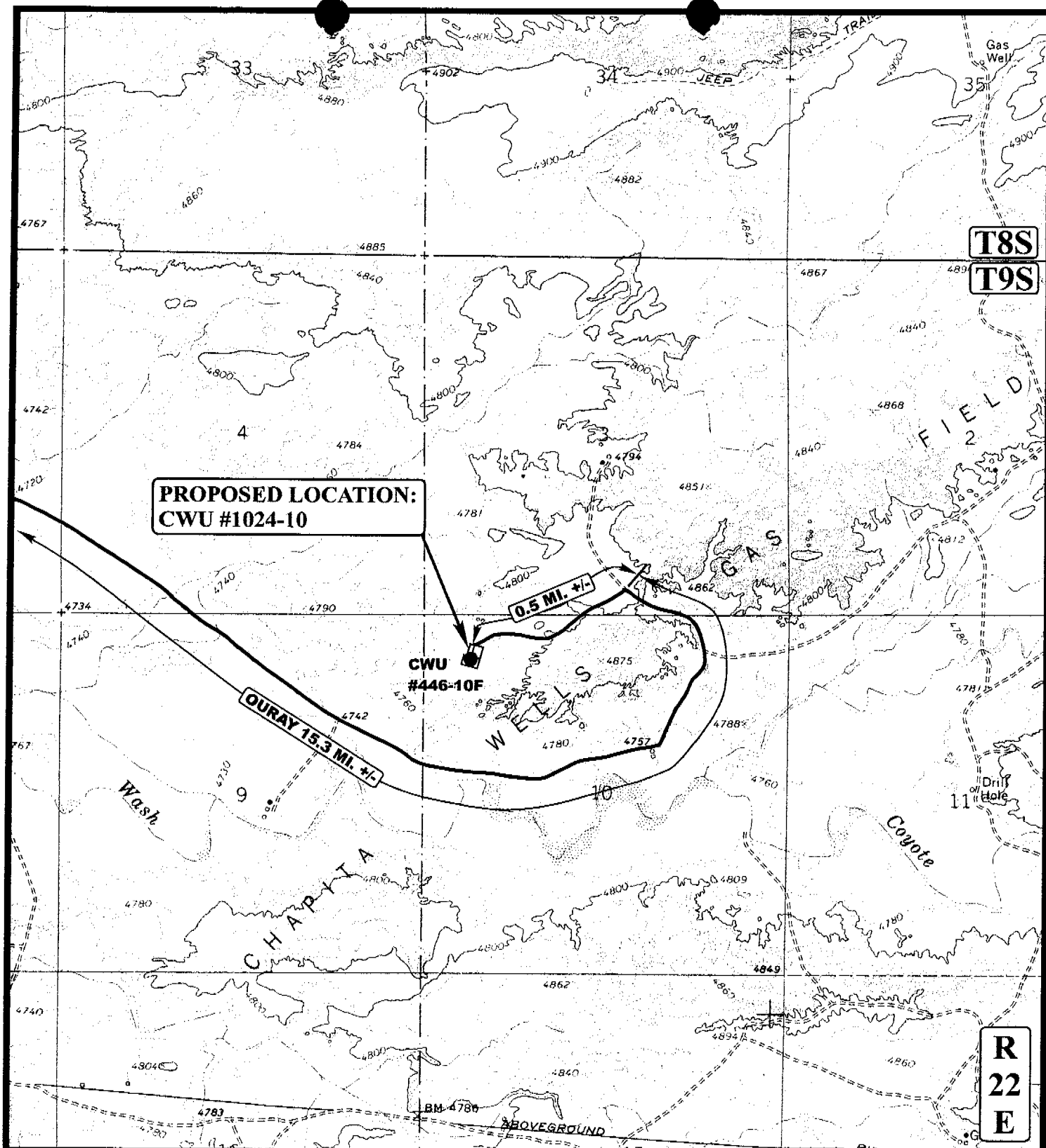
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

05 09 05
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.H. REVISED: 00-00-00





LEGEND:

————— EXISTING ROAD
 - - - - - PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

CWU #1024-10
 SECTION 10, T9S, R22E, S.L.B.&M.
 613' FNL 693' FWL

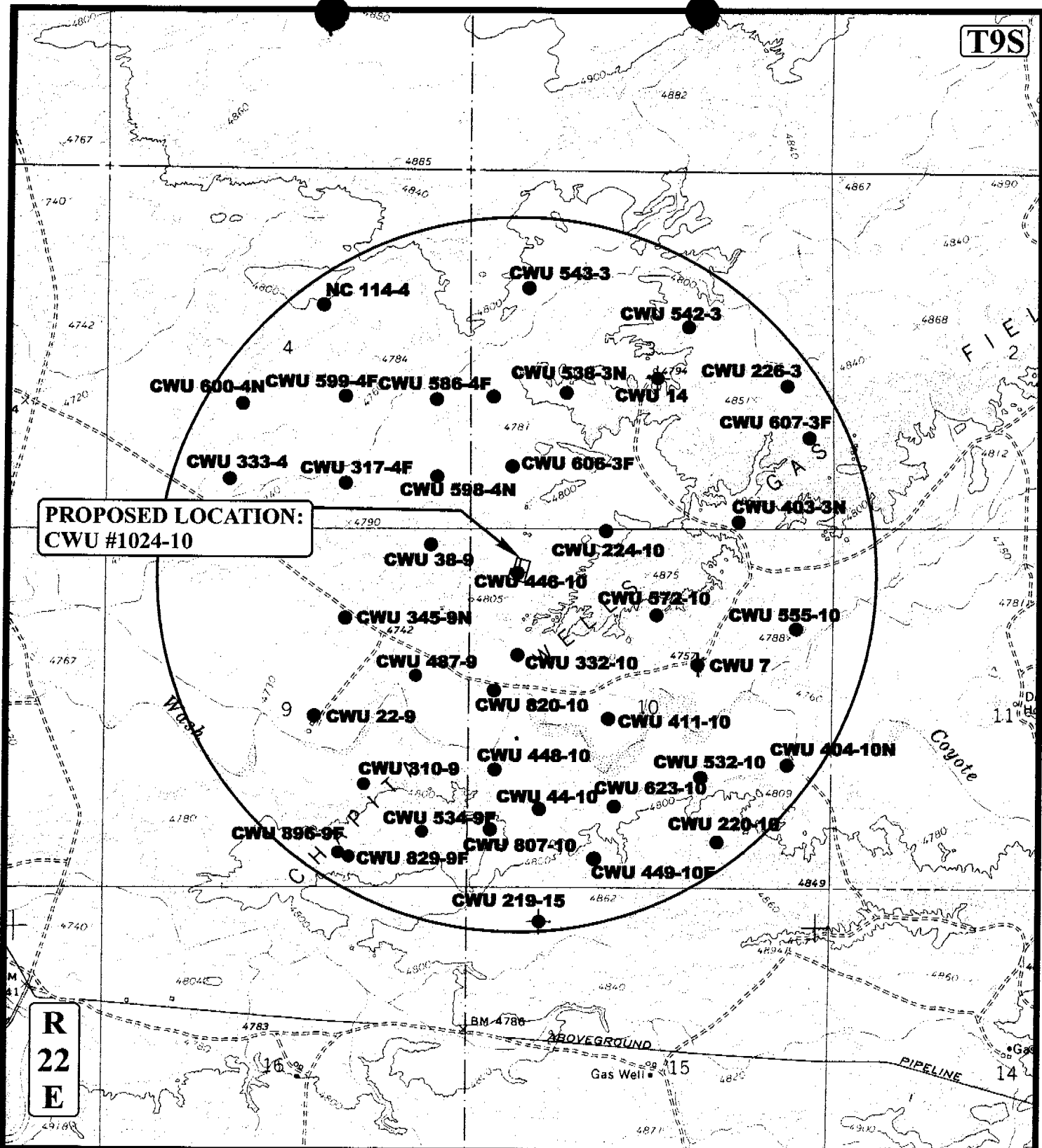


Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC	05	09	05
MAP	MONTH	DAY	YEAR
SCALE: 1" = 2000'	DRAWN BY: C.H.		REVISED: 00-00-00

B
 TOPO

T9S



PROPOSED LOCATION:
CWU #1024-10

R
22
E

LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



EOG RESOURCES, INC.

CWU #1024-10
SECTION 10, T9S, R22E, S.L.B.&M.
613' FNL 693' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

05 09 05
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/16/2005

API NO. ASSIGNED: 43-047-36973

WELL NAME: CWU 1024-10

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NWNW 10 090S 220E

SURFACE: 0613 FNL 0693 FWL

BOTTOM: 0613 FNL 0693 FWL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0281

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.05614

LONGITUDE: -109.4324

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM-2308)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-1501)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

 R649-2-3.

Unit CHAPITA WELLS

 R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

 R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 174-8

Eff Date: 8-10-1999

Siting: Suspends General Siting

 R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1-Federal Approval

2-Oil Shale

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

August 17, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2005 Plan of Development Chapita Wells Unit Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Price River)

43-047-36952	CWU 1055-13 Sec 13 T09S R22E 2022 FNL 1755 FEL	
43-047-36953	CWU 1036-13 Sec 13 T09S R22E 0250 FSL 1960 FEL	
43-047-36954	CWU 1037-13 Sec 13 T09S R22E 1933 FSL 0829 FEL	
43-047-36966	CWU 917-14 Sec 14 T09S R22E 0654 FSL 2069 FWL	
43-047-36967	CWU 1059-14 Sec 14 T09S R22E 0679 FSL 1945 FEL	
43-047-36956	CWU 1038-24 Sec 24 T09S R22E 0627 FNL 0678 FEL	
43-047-36968	CWU 640-26 Sec 26 T09S R22E 0275 FNL 2121 FEL	
43-047-36969	CWU 937-26 Sec 26 T09S R22E 0426 FNL 0189 FWL	
43-047-36949	CWU 1066-3 Sec 3 T09S R22E 1715 FNL 0825 FWL	
43-047-36950	CWU 1065-3 Sec 3 T09S R22E 0687 FNL 0492 FEL	
43-047-36951	CWU 1067-3 Sec 3 T09S R22E 2185 FNL 2120 FEL	
43-047-36964	CWU 986-10 Sec 10 T09S R22E 1772 FSL 0353 FWL	
43-047-36965	CWU 987-10 Sec 10 T09S R22E 0429 FSL 1831 FWL	
43-047-36973	CWU 1024-10 Sec 10 T09S R22E 0613 FNL 0693 FWL	
43-047-36974	CWU 991-15 Sec 15 T09S R22E 0675 FSL 1760 FWL	
43-047-36975	CWU 990-15 Sec 15 T09S R22E 1822 FSL 0815 FWL	
43-047-36976	CWU 989-15 Sec 15 T09S R22E 2037 FNL 1659 FWL	
43-047-36978	CWU 1035-19 Sec 19 T09S R23E 2108 FNL 0530 FWL	
43-047-36979	CWU 1034-19 Sec 19 T09S R23E 0853 FNL 2018 FWL	

Page 2

43-047-36957 CWU 1068-28 Sec 28 T09S R23E 1783 FSL 1988 FWL
43-047-36958 CWU 688-30 Sec 30 T09S R23E 1671 FNL 0637 FEL
43-047-36959 CWU 687-30 Sec 30 T09S R23E 0569 FSL 0764 FEL
43-047-36960 CWU 686-30 Sec 30 T09S R23E 2007 FSL 0635 FWL
43-047-36971 CWU 955-32 Sec 32 T09S R23E 2179 FNL 0657 FEL
43-047-36961 CWU 1069-33 Sec 33 T09S R23E 0544 FNL 2180 FEL
43-047-36972 CWU 961-33 Sec 33 T09S R23E 2149 FSL 0712 FWL
43-047-36970 CWU 680-6 Sec 6 T09S R23E 0461 FSL 0790 FEL
43-047-36977 CWU 1039-18 Sec 18 T09S R23E 1824 FSL 2154 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:8-17-05



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 17, 2005

EOG Resources Inc.
P O Box 1815
Vernal, UT 84078

Re: Chapita Wells Unit 1024-10 Well, 613' FNL, 693' FWL, NW NW,
Sec. 10, T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36973.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EOG Resources Inc.
Well Name & Number Chapita Wells Unit 1024-10
API Number: 43-047-36973
Lease: U-0281

Location: NW NW Sec. 10 T. 9 South R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

EOG Resources, Inc.
P.O. Box 1815
Vernal, UT 84078

43-047-36973

August 25, 2005

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801
Attn: Diana Whitney

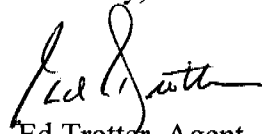
RE: : **Corrected APD document**
CHAPITA WELLS UNIT 1024-10
NW/NW, SEC. 10, T9S, R22E, S.L.B. & M.
UINTAH COUNTY, UTAH
LEASE NO.: U-0281
FEDERAL LANDS

Enclosed please find a corrected copy of the Location Layout for the above-entitled well. The finished grade elevation at the location stake had previously read 4563.5'. It has been corrected to 4763.5'. Please substitute this page for the Location Layout sheet submitted August 4, 2005.

Sorry for any inconvenience.

Thank you for your attention to this matter.

Sincerely,



Ed Trotter, Agent
EOG Resources, Inc.
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420
E-mail: edtrotter@easilink.com

RECEIVED

AUG 26 2005

DIV. OF OIL, GAS & MINING

LOCATION LAYOUT FOR
CWU #1024-10
SECTION 10, T9S, R22E, S.L.B.&M.
613' FNL 693' FWL

CWU #1024-10
SECTION 10, T9S, R22E, S.L.B.&M.
613' FNL 693' FWL

Existing/
Drainage

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.

El. 63.0'
C-11.5
(btm. pit)

7' Total Pit Capacity
W/2' Of Freeboard
= 12,250 Bbls. ±
Total Pit Volume
= 3,320 Cu. Yds.

15' WIDE BENCH

14

RESERVE PITS
(12' Deep)

Anchor

El. 62.6'
C-11.1
(btm. pit)

Reserve Pit Backfill
& Spoils Stockpile

F-0.7
El 62.8

Approx.
Toe of
Fill Slope

NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 4763.5'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

FIGURE #1



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.ut.blm.gov/utah/vernal>



N REPLY REFER TO:

3160

UT08300

February 7, 2006

Ed Trotter
EOG Resources, Inc.
P O Box 1910
Vernal, Utah 84078

Re: Well No. CWU 1024-10
NWNW, Sec. 10, T9S, R22E
Uintah County, Utah
Lease No. UTU-0281
Chapita Wells Unit

Dear Mr. Trotter:

Enclosed are two (2) approved copies of the Application for Permit to Drill (APD) with attached Conditions of Approval for the above referenced well.

If you have any questions concerning APD processing, please contact me at (435) 781-4497.

Sincerely,

/s/ Leslie Wilcken

Leslie Wilcken
Land Law Examiner

Enclosures

bcc: well file
reading file

AUG 15 2005

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL

☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
EOG RESOURCES, INC.

3a. Address **P.O. BOX 1815
VERNAL, UT 84078**

3b. Phone No. (Include area code)
(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface **613' FNL, 693' FWL**
At proposed prod. Zone

NW/NW

5. Lease Serial No.

U-0281

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
CHAPITA WELLS UNIT

8. Lease Name and Well No.

CHAPITA WELLS UNIT 1024-10

9. API Well No.

4304736973

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area

**SEC. 10, T9S, R22E,
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office*

15.8 MILES SOUTHEAST OF OURAY, UTAH

12. County or Parish

UINTAH

13. State

UTAH

15. Distance from proposed*

location to nearest
property or lease line, ft. **613'**
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

2558

17. Spacing Unit dedicated to this well

18. Distance from proposed location*

to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

9910'

20. BLM/BIA Bond No. on file

NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

4563.5 FEET GRADED GROUND

22. Approximate date work will start*

UPON APPROVAL

23. Estimated duration

45 DAYS

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

Ed Trotter

Name (Printed/Typed)

Ed Trotter

**Accepted by the
Utah Division of
Oil, Gas and Mining**

Date

August 4, 2005

Title

Agent

FOR RECORD ONLY

Approved by (Signature)

Robert T. M. Speck

Name (Printed/Typed)

Robert T. M. Speck

Date

2/7/06

Title

**Assistant Field Manager
Mineral Resources**

Office

Vernal F.O.

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UDOGM
(Instructions on page 2)

FEB 13 2006

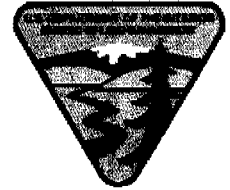
NOTICE OF APPROVAL

EXCELSIOR



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: **EOG Resources, Inc.**
Well No: **CWU 1024-10**
API No: **43-047-36973**

Location: **NWNW, Sec 10, T9S, R22E**
Lease No: **UTU-0281**
Agreement: **Chapita Wells Unit**

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

- | | | |
|---|---|--|
| Location Construction
(Notify Paul Buhler) | - | Forty-Eight (48) hours prior to construction of location and access roads. |
| Location Completion
(Notify Paul Buhler) | - | Prior to moving on the drilling rig. |
| Spud Notice
(Notify Petroleum Engineer) | - | Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing
(Notify Jamie Sparger) | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings. |
| BOP & Related Equipment Tests
(Notify Jamie Sparger) | - | Twenty-Four (24) hours prior to initiating pressure tests. |
| First Production Notice
(Notify Petroleum Engineer) | - | Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
2. This location will require paleontological monitoring of any additional disturbance. If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
3. During interim management of the surface, use the following seed mix:
9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. None.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.

All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.

BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.

7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Vernal Field Office.

Please submit an electronic copy of all logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM,

Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.

11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location ($\frac{1}{4}$ Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.
13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
15. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days

after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	5. LEASE DESIGNATION AND SERIAL NUMBER: U-0281
2. NAME OF OPERATOR: EOG RESOURCES, INC.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY VERNAL STATE UT ZIP 84078	7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
PHONE NUMBER: (435) 789-0790	8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 1024-10
9. API NUMBER: 43-047-36973	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 613 FNL 693 FWL 40.056125 LAT 109.433075 LON COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 10 9S 22E S.L.B. & M STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION REQUEST</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 8-21-06
By: [Signature]

NAME (PLEASE PRINT) Kaylene R. Gardner	TITLE Regulatory Assistant
SIGNATURE [Signature]	DATE 8/15/2006

(This space for State use only)

RECEIVED
AUG 17 2006

DEPT. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-36973
Well Name: CHAPITA WELLS UNIT 1024-10
Location: 613 FNL 693 FWL (NWNW), SECTION 10, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 8/17/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

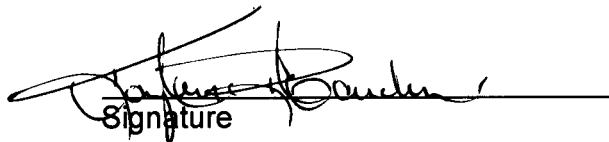
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

8/15/2006

Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

RECEIVED
AUG 17 2006
DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 1024-10

Api No: 43-047-36973 Lease Type: FEDERAL

Section 10 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKER DRILLING RIG # 1

SPUDDED:

Date 09/07/06

Time 1:00 PM

How DRY

Drilling will Commence: _____

Reported by JERRY

Telephone # (435) 828-1720

Date 09/08/06 Signed CHD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG Resources, Inc.

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**613' FNL & 693' FWL (NW/NW)
Sec. 10-T9S-R22E 40.056125 LAT 109.433075 LON**

5. Lease Serial No.

U-0281

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 1024-10

9. API Well No.

43-047-36973

10. Field and Pool, or Exploratory Area

Natural Buttes/Mesaverde

11. County or Parish, State

Uintah County, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Well spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well spud on 9/7/2006.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

Mary A. Maestas

Date

09/07/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED
SEP 12 2006
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**613' FNL & 693' FWL (NW/NW)
Sec. 10-T9S-R22E 40.056125 LAT 109.433075 LON**

5. Lease Serial No.
U-0281

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
Chapita Wells Unit

8. Well Name and No.
Chapita Wells Unit 1024-10

9. API Well No.
43-047-36973

10. Field and Pool, or Exploratory Area
Natural Buttes/Mesaverde

11. County or Parish, State
Uintah County, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

- 1. Natural Buttes Unit 21-20B SWD**
- 2. Chapita Wells Unit 550-30N SWD**
- 3. Ace Disposal**
- 4. RN Industries**

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **Mary A. Maestas** Title **Regulatory Assistant**
Signature *Mary A. Maestas* Date **09/07/2006**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office _____	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

SEP 12 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG Resources, Inc.
Address: 600 17th St., Suite 1000N
city Denver
state CO zip 80202

Operator Account Number: N 9550
Phone Number: (303) 824-5526

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-36973	Chapita Wells Unit 1024-10	NWNW	10	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	15645	9/7/2006	9/21/06		
Comments: <u>mVRD</u>						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-37054	Chapita Wells Unit 1098-29	SWNE	28	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	15646	9/8/2006	9/21/06		
Comments: <u>PRRV = mVRD</u>						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
Comments:						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

RECEIVED
SEP 15 2006

Mary A. Maestas

Name (Please Print)

Mary A. Maestas

Signature

Regulatory Assistant

Title

9/15/2006

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well ☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**613' FNL & 693' FWL (NW/NW)
Sec. 10-T9S-R22E 40.056125 LAT 109.433075 LON**

5. Lease Serial No.
U-0281

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
Chapita Wells Unit

8. Well Name and No.
Chapita Wells Unit 1024-10

9. API Well No.
43-047-36973

10. Field and Pool, or Exploratory Area
Natural Buttes/Mesaverde

11. County or Parish, State
Uintah County, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales 12/18/2006. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

Date

12/20/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

DEC 27 2006

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 12-19-2006

Well Name	CWU 1024-10	Well Type	DEVG	Division	DENVER
Field	CHAPITA WELLS DEEP	API #	43-047-36973	Well Class	ISA
County, State	UINTAH, UT	Spud Date	10-26-2006	Class Date	12-18-2006
Tax Credit	N	TVD / MD	9,910/ 9,910	Property #	055595
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	0/ 0
KB / GL Elev	4,781/ 4,764				
Location	Section 10, T9S, R22E, NWNW, 613 FNL & 693 FWL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	50.0	NRI %	43.5

AFE No		303074		AFE Total		1,977,300		DHC / CWC		1,000,500/ 976,800					
Rig Contr		TRUE		Rig Name		TRUE #9		Start Date		08-19-2005		Release Date		11-08-2006	
08-19-2005		Reported By		ED TROTTER											
Daily Costs: Drilling		\$0		Completion		\$0		Daily Total		\$0					
Cum Costs: Drilling		\$0		Completion		\$0		Well Total		\$0					
MD		0		TVD		0		Progress		0		Days		0	
MW		0.0		Visc		0.0									
Formation :		PBTD : 0.0		Perf :		PKR Depth : 0.0									

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

06:00	06:00	24.0	LOCATION DATA
			613' FNL & 693' FWL (NW/NW)
			SECTION 10, T9S, R22E
			UINTAH COUNTY, UTAH

LAT 40.056158, LONG 109.432392 (NAD 27)

RIG: TRUE #9

OBJECTIVE: 9910' TD, MESAVERDE

DW/GAS

CHAPITA WELLS DEEP PROSPECT

DD&A: CHAPITA WELLS DEEP

NATURAL BUTTES FIELD

LEASE: U-0281

ELEVATION: ' NAT GL, 4763.5' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4764'), 4781' KB (17')
(NOTE: KB CHANGE ON TRUE #9, 14' TO 17')

EOG WI 50%, NRI 43.5%

09-01-2006	Reported By	ED TROTTER
-------------------	--------------------	------------

Daily Costs: Drilling	\$31,500	Completion	\$0	Daily Total	\$31,500
------------------------------	----------	-------------------	-----	--------------------	----------

Cum Costs: Drilling	\$31,500	Completion	\$0	Well Total	\$31,500
MD	0	TVD	0	Progress	0
Formation :		PBTD : 0.0		Perf :	
Activity at Report Time: BUILDING LOCATION					

Start	End	Hrs	Activity Description
06:00	06:00	24.0	BEGAN CONSTRUCTION OF LOCATION; 5% COMPLETE.

09-05-2006 **Reported By** ED TROTTER

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$31,500	Completion	\$0	Well Total	\$31,500
MD	0	TVD	0	Progress	0
Formation :		PBTD : 0.0		Perf :	
Activity at Report Time: BUILDING LOCATION					

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 30% COMPLETE.

09-06-2006 **Reported By** ED TROTTER

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$31,500	Completion	\$0	Well Total	\$31,500
MD	0	TVD	0	Progress	0
Formation :		PBTD : 0.0		Perf :	
Activity at Report Time: BUILDING LOCATION					

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 40% COMPLETE.

09-07-2006 **Reported By** ED TROTTER

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$31,500	Completion	\$0	Well Total	\$31,500
MD	0	TVD	0	Progress	0
Formation :		PBTD : 0.0		Perf :	
Activity at Report Time: BUILDING LOCATION					

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 80% COMPLETE.

09-08-2006 **Reported By** ED TROTTER

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$31,500	Completion	\$0	Well Total	\$31,500
MD	0	TVD	0	Progress	0
Formation :		PBTD : 0.0		Perf :	
Activity at Report Time: BUILDING LOCATION					

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 90% COMPLETE.

09-11-2006 **Reported By** TROTTER / BARNES

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
-----------------------------	-----	-------------------	-----	--------------------	-----

Cum Costs: Drilling	\$31,500	Completion	\$0	Well Total	\$31,500
MD	40	TVD	40	Progress	0
Formation :		PBTD : 0.0		Perf :	
Activity at Report Time:	BUILDING LOCATION / WO AIR RIG				

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 95% COMPLETE.

ROCKER DRILLING SPUD A 17-1/2" HOLE ON 9/7/2006 @ 1:00 PM. SET 40' OF 14" CONDUCTOR, CEMENTED TO SURFACE WITH READY MIX.

JERRY BARNES NOTIFIED MIKE LEE - BLM & CAROL DANIELS - UDOGM OF THE SPUD 9/7/2006 @ 12:30 PM.

09-12-2006	Reported By	TROTTER			
Daily Costs: Drilling	\$1,260	Completion	\$0	Daily Total	\$1,260
Cum Costs: Drilling	\$32,760	Completion	\$0	Well Total	\$32,760
MD	40	TVD	40	Progress	0
Formation :		PBTD : 0.0		Perf :	
Activity at Report Time:	WO AIR RIG				

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 100% COMPLETE.

09-17-2006	Reported By	JERRY BARNES			
Daily Costs: Drilling	\$203,341	Completion	\$0	Daily Total	\$203,341
Cum Costs: Drilling	\$32,760	Completion	\$0	Well Total	\$32,760
MD	2,427	TVD	2,427	Progress	0
Formation :		PBTD : 0.0		Perf :	
Activity at Report Time:	WORT				

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU BILL JR'S AIR RIG #8 ON 9/10/2006. DRILLED 12 1/4" HOLE TO 2410' GL. ENCOUNTERED WATER @ 1935'. RAN 56 JTS (2348") OF 9 5/8", 36.0 #/FT, J-55, ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2365' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO BILL JR'S AIR RIG.

RU BIG 4 CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 150 BBLS FRESH WATER & 40 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 220 SX (150 BBLS) OF PREMIUM LEAD CEMENT W/16% GEL, 10 #/SX GILSONITE, 3#/SX GR-3, 3% SALT & 1/4 #/SX FLOCELE. MIXED LEAD CEMENT @ 11 PPG W/YIELD OF 3.82 CFS TAILED IN W/200 SACKS (41 BBLS) OF PREMIUM CEMENT W/3% CaCl2 & 1/4 #/SX FLOCELE. MIXED TAIL CEMENT TO 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/178 BBLS FRESH WATER. BUMPED PLUG W/600# @ 1:43 AM, 9/11/2006. CHECKED FLOAT, FLOAT HELD. SHUT IN CASING VALVE. BROKE CIRCULATION 1 BBLS INNT0 DISPLACEMENT. CEMENT FELL BACK AT SURFACE WHEN PLUG BUMPED.

TOP JOB#1: PUMPED DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLS) OF PREMIUM CEMENT W/ 4% CaCl2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED BUT FELL BACK WHEN PUMPING STOPPED. WOC 4 HR 10 MIN.

TOP JOB #2: MIXED & PUMPED 150 SX (31 BBLs) OF PREMIUM CEMENT W/2% CaCl₂ & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FELL BACK WHEN PUMPING STOPPED. WOC 2 HRS.

TOP JOB #3: MIXED & PUMPED 110 SX (23 BBLs) OF PREMIUM CEMENT W/2% CaCl₂ & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FELL BACK WHEN PUMPING STOPPED. WOC 1 HR 30 MIN.

TOP JOB #4: MIXED & PUMPED 90 SX (19 BBLs) OF PREMIUM CEMENT W/2% CaCl₂ & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL. RD BIG 4 CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

MIRU SLICK LINE UNIT & SURVEY TOOL. RAN IN HOLE & TAGGED @ 2240' PICK UP TO 2232' & TOOK SURVEY, 1 DEGREE.

JERRY BARNES NOTIFIED JAMIE SPARGER W/V BLM OF THE SURFACE CASING & CEMENT JOB ON 9/9/2006 @ 9:00 AM.

09-18-2006		Reported By		KENT DEVENPORT							
Daily Costs: Drilling		\$239,173		Completion		\$0		Daily Total		\$239,173	
Cum Costs: Drilling		\$271,933		Completion		\$0		Well Total		\$271,933	
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: RIG DOWN MOVING TO 1024-10											
Start	End	Hrs	Activity Description								
06:00	17:00	11.0	RIGGING DOWN ON STAGECOACH 90-08 PREPARING FOR TRANSPORT TO CWU 1024-10. MAST ON STAND 10:00 HOURS, UNSTRING TRAVELING EQUIPMENT. RIGGING DOWN ALL OTHER EQUIPMENT. RIGGED DOWN 50%, MOVED 0%, CAMP 0% RIGGED DOWN OR MOVED TRUCKING DUE TO ARRIVE 9/18 @ 07:00 HOURS (WESTROC)								
NO TIME LOST TO DOWN TIME OR REPAIR											
NO INCIDENTS OR ACCIDENTS REPORTED											
SAFETY MEETINGS HELD ON UNSTRINGING MAST/GENERAL RIG DOWN											
ALL CREW MEMBERS PRESENT											
RECEIVED ON TRANSFER FORM FR-01976:											
2500 GALLONS DIED DIESEL @ 3.18 PER GALLONS (7950)											
7 JOINTS OF 4.5" CSG x P-110 x 11.6# x LTC (301.83') THREADS OFF											
1 MARKER JOINT OF 4.5" x P-110 x 11.6# x LTC (19.77') THREADS OFF											

09-19-2006		Reported By		KENT DEVENPORT							
Daily Costs: Drilling		\$13,697		Completion		\$0		Daily Total		\$13,697	
Cum Costs: Drilling		\$285,630		Completion		\$0		Well Total		\$285,630	
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: MOVING RIG AND CAMP											

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MOVING FROM STAGECOACH 90-08 TO CWU 1024-10. RIG DOWN 100%, RIG MOVED 100%, CAMP RIGGED DOWN AND MOVED 0%.

NO INCIDENTS OR ACCIDENTS REPORTED

WESTROC EQUIPMENT RELEASED

CREWS FULL

SAFETY MEETING HELD WITH ALL CONTRACT EMPLOYEES ON RIG MOVE SAFETY

PONY SUB'S FROM TRUE CASPER ARRIVED W/MAST AND SUBSTRUCTURE STEEL

DRAWWORKS ENGINES AND PUMP #1 TRUCKED TO CASPER FOR REPAIR

WELDERS SET TO START THE MODIFICATION 9/19/06 @ 07:00 HRS

MODIFICATIONS 0% COMPLETE. WILL ATTEMPT TO KEEP THIS % UPDATED (LIMITED AMOUNT OF INFORMATION I CAN GET FROM TRUE DRILLING CASPER)

ESTIMATED SPUD DATE 10/11/06

09-20-2006 **Reported By** KENT DEVENPORT

Daily Costs: Drilling	\$3,780	Completion	\$0	Daily Total	\$3,780
Cum Costs: Drilling	\$289,410	Completion	\$0	Well Total	\$289,410
MD	2,426	TVD	2,426	Progress	0
				Days	0
				MW	0.0
				Visc	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #1

Start	End	Hrs	Activity Description
07:00	18:00	11.0	RIG CREWS ASSIGNED TO MAST STRIPPING AND CLEAN UP. SORTING PIPE FOR YEARLY TUBULAR INSPECTION. WELDERS WORKING ON MAST AND SUBSTRUCTURE (SHEETING THE CATWALK).

WELDERS ASSIGNED 9

RIG CREWS FULL

70 TON CRANE WORKING

SAFETY MEETING HELD ON GAS DETECTION AND HOT WORK PERMITTING

NO INCIDENTS OR ACCIDENTS REPORTED

SCOPE OF WORK COMPLETED 2%, CAMP MOVED 100%, RIG MOVED 100%, RIG RIGGED UP 0%
(MODIFICATION AND UPGRADING ON LOCATION)

09-21-2006 **Reported By** KENT DEVENPORT/ROBERT DYSART

Daily Costs: Drilling	\$5,040	Completion	\$0	Daily Total	\$5,040
Cum Costs: Drilling	\$294,450	Completion	\$0	Well Total	\$294,450
MD	2,426	TVD	2,426	Progress	0
				Days	0
				MW	0.0
				Visc	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #2

Start	End	Hrs	Activity Description
07:00	16:00	9.0	RIG ON SCHEDULED REPAIR AND INSPECTION.

REPLACING BRACES IN MAST. REPAIR AND STRUCTURAL WORK ON SUBSTRUCTRE.

INSPECTING BHA, KELLY AND ASSORTED DRILLING SUBS.

WELDERS ASSIGNED 10 - RIG CREWS FULL - 70 TON CRANE

SAFETY MEETING HELD WITH ALL EMPLOYEES ON SITE. EYE SAFETY. GOGGLES AND SAFETY GLASSES, PLACEMENT OF FIRE EXTINGUISHERS, WORKING OVER 6' REQUIRES TIE OFF.

HOT WORK PERMIT ISSUED 07:00, CONTINUOUS MONITOR CHECKED AT 12:00 FOR OPERATION, HAND DETECTOR USED @ 13:00 AS DOUBLE CHECK.

ARRIVED FROM TRUE CASPER YARD: NEW ROTARY BEAMS, POCKETS AND SOCKETS FOR MAST AND SUBSTRUCTURE, REBUILT ANNULAR PREVENTER, NEW STAIR AND WALK WAYS FOR EXTENDED SUB HEIGHT, METAL WIND WALLS FOR DERRICK BOARD, REBUILT SET OF 300 TON TRAVELING BLOCKS.

SCOPE OF WORK COMPLETED 4% (REDUCED WORKING HOURS DUE TO HEAVY RAIN)

RIG 100% MOVED, RIG 0% RIGGED UP.

CAMP 100% RIGGED UP,

NO INCIDENTS OR ACCIDENTS REPORTED

09-22-2006		Reported By		KENT DEVENPORT/ROBERT DYSART							
Daily Costs: Drilling		\$5,040		Completion		\$0		Daily Total		\$5,040	
Cum Costs: Drilling		\$299,490		Completion		\$0		Well Total		\$299,490	
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #3											
Start	End	Hrs	Activity Description								
07:00	17:00	10.0	RIG ON SCHEDULED REPAIR AND INSPECTION. REPLACING BRACES IN MAST. REPAIR AND STRUCTURAL WORK ON SUBSTRUCTURE. INSPECTION OF DRILL PIPE BY KURTS INSPECTION.								
WELDERS ASSIGNED 10											
RIG CREWS FULL											
SAFETY MEETING HELD WITH ALL PERSONNEL ON LOCATION: USING THE CORRECT TOOL FOR THE TASK AT HAND/SLIPPERY CONDITIONS DUE TO RAIN SLOW DOWN/WATCH FOR ANYONE DRIVING FAST ON LOCATION/TIGHT AREAS AND NO TIME TO REACT											
HOT WORK PERMIT ISSUED @ 06:30											
CONTINUOUS MONITORING ALONG WITH 13:00 CHECK WITH HAND HELD MONITOR											
NO LOADS FROM TRUE CASPER YARD											
CUTTING BOTTOM BEAM AND STRUCTURAL LEGS FROM UPPER SUB. WELDING NEW TUBULAR SECTIONS IN MAST. REPLACING UPPER SKIN ON CATWALK. WORKING ON DRAWWORKS. REPLACING THE 6" SUCTION LINE IN MUD PIT WITH 8".											
SCOPE OF WORK COMPLETED 10%											
NO INCIDENTS/ACCIDENTS OR NEAR MISSES REPORTED											

09-23-2006		Reported By		KENT DEVENPORT/ROBERT DYSART							
Daily Costs: Drilling		\$5,040		Completion		\$0		Daily Total		\$5,040	

Cum Costs: Drilling	\$304,530	Completion	\$0	Well Total	\$304,530
MD	2,426	TVD	2,426	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0		

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #4

Start	End	Hrs	Activity Description
07:00	17:00	10.0	RIG ON SCHEDULED REPAIR/MAINTENANCE AND INSPECTION. REPLACING BREAK BANDS AND PADS, CHECKING ALL BREAK LINKAGE. REPLACING FAN BRACES IN MAST, REPLACING BEAMS AND STRUCTURAL SUPPORTS IN ORIGINAL SUBSTRUCTURE. CONTINUE REPLACING UPPER SKIN ON CATWALK. WELDING NEW SUCTION LINES FOR CHARGE PUMP FROM 6" TO 8".

WELDERS ASSIGNED 10

CREWS FULL

ANNUAL INSPECTION OF DRILL PIPE BY KURTS INSPECTION

NO INCIDENTS/ACCIDENTS OR NEAR MISSES REPORTED

SAFETY MEETING HELD WITH ALL PERSONNEL ON LOCATION: MUSTER POINT IN CASE OF GAS RELEASE OR FIRE/INSPECTION OF FORKLIFT UNIT

HOT WORK PERMIT ISSUED @ 06:30 CONTINUOUS MONITORING ALONG WITH 13:00 CHECK WITH HAND HELD MONITOR OR BOTH WELLS.

SCOPE OF WORK COMPLETED 13%

ESTIMATED SPUD OCTOBER 11, 2006

SPECIAL NOTE: RIG MOVE DISTANCE FROM STAGECOACH 90-08 TO CWU 1024-10 WAS 3.1 MILES

09-24-2006 **Reported By** KENT DEVENPORT

Daily Costs: Drilling	\$4,258	Completion	\$0	Daily Total	\$4,258
Cum Costs: Drilling	\$308,788	Completion	\$0	Well Total	\$308,788
MD	2,426	TVD	2,426	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0		

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #5

Start	End	Hrs	Activity Description
07:00	17:00	10.0	RIG ON SCHEDULED MAINTENANCE AND ISPECTION. REPAIR TO DRAWWORKS - REPLACE BRAKE PADS AND BANDS, INSPECT AND REPAIR LINKAGE, INTALL NEW CHAINS AND INSPECT BEARINGS. REPLACING FAN BRACING IN MAST. REPLACING BEAMS AND BOTTOM RAIL IN ORIGINAL FULL SUBSTRUCTURE. CONTINUE INSTALLING SKIN ON CATWALK. WELDING NEW SUCTION LINES FOR CHARGE PUMPS FROM 6" TO 8".

WELDERS ASSIGNED 10

CREWS FULL

NO INCIDENT OR ACCIDENT

HELD SAFETY MEETING: WORKING IN TIGHT AREAS AND MOVING ITEMS THAT MAKE IT HARD TO GET AT THE EQUIPMENT/GENERAL HOUSEKEEPING AND WORKING WITH THE WELDERS/DRIVING WHEN TIRED AND TAKING THE TIME TO PULL OVER IF REQUIRED

HOT WORK PERMIT ISSUED @ 06:30, WITH CONTINUOUS MONITORING ALONG WITH 13:00 CHECK WITH HAND HELD MONITOR ON BOTH WELLS.

1 NEAR MISS: FORKLIFT WORKING IN TIGHT AREA BACKED INTO THE TRUE WELDING PICK UP, NO DAMAGE OF ANY KIND

SCOPE OF WORK COMPLETE 16%

ESTIMATED SPUD DATE OCTOBER 11, 2006

09-25-2006 **Reported By** KENT DEVENPORT

Daily Costs: Drilling	\$3,780	Completion	\$0	Daily Total	\$3,780
Cum Costs: Drilling	\$312,568	Completion	\$0	Well Total	\$312,568

MD 2,426 **TVD** 2,426 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #6

Start	End	Hrs	Activity Description
07:00	17:00	10.0	RIG PERFORMING SCHEDULED MAINTENANCE/REBUILD AND INSPECTION. REPAIR TO DRAWWORKS INSPECT BEARINGS, CHAINS, AIR AND OIL LINES. REPLACING BRACES IN MAST, STRAIGHTENING BEAMS. ORIGINAL SUBSTRUCTURE REPLACING BOTTOM RAILS AND DAMAGED UPRIGHT BEAMS. COMPLETE WORK ON CATWALK. CONTINUE WELDING ON SUCTION LINE IN MUD PIT.

WELDERS ASSIGNED 10

CREWS FULL

SCOPE OF WORK COMPLETED 19%

ESTIMATED SPUD DATE OCTOBER 13, 2006

NO INCIDENTS/ACCIDENTS OR NEAR MISSES REPORTED

SAFETY MEETINGS HELD WITH ALL PERSONNEL: WEARING THE PROPER HAND PROTECTION/WHERE SAFETY ITEMS ARE LOCATED (EYE WASH, FIRST AID, STRETCHER, CHEMICAL SHOWER)

HOT WORK PERMIT ISSUED @ 06:30 WITH CONTINUOUS MONITORING ALONG WITH 13:00 CHECK WITH HAND HELD MONITOR ON BOTH WELLS

09-26-2006 **Reported By** KENT DEVENPORT

Daily Costs: Drilling	\$5,198	Completion	\$0	Daily Total	\$5,198
Cum Costs: Drilling	\$317,766	Completion	\$0	Well Total	\$317,766

MD 2,426 **TVD** 2,426 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #7

Start	End	Hrs	Activity Description
07:00	17:00	10.0	RIG PERFORMING SCHEDULED MAINTENANCE/REBUILD AND INSPECTION. REPAIR TO DRAWWORKS INSPECT BEARINGS, CHAINS, AIR AND OIL LINES. SENT INPUT SPROCKET TO CASPER FOR REPLACEMENT. PRIME MOVERS IN CASPER BEING RECONDITIONED ALONG WITH TORQUE CONVERTERS AND COMPOUND SECTIONS. SPROCKET IN COMPOUND BEING REPLACED. REPLACING BRACES IN MAST, STRAIGHTENING BEAMS. ORIGINAL SUBSTRUCTURE REPLACING BOTTOM RAILS AND DAMAGED UPRIGHT BEAMS. REPLACE PONY SUBSTRUCTURE WITH NEW. CONTINUE WORK ON CATWALK. CONTINUE SUCTION LINE IN MUD PIT ALONG WITH MATTING BOARDS. SCOPE OF WORK COMPLETED 22%. ESTIMATED SPUD DATE OCTOBER 13, 2006.

NEAR MISS REPORTED: FORKLIFT BACKED INTO SUBSTRUTURE AND BROKE DOOR WINDOW
NO INJURIES REPORTED

SAFETY MEETING HELD WITH ALL EMPLOYEES: WEARING PROPER PROTECTION WHEN CLEANING, CHIPPING, SANDING AND PAINTING/LIFTING HEAVIER LOADS WITH MULTIPLE PERSONNEL

HOT WORK PERMIT ISSUED @ 06:30 WITH CONTINUOUS MONITORING ALONG WITH 13:00 CHECK WITH HAND HELD MONITOR ON BOTH WELLS

09-27-2006 Reported By KENT DEVENPORT/ROBERT DYSART

Daily Costs: Drilling	\$9,524	Completion	\$0	Daily Total	\$9,524
Cum Costs: Drilling	\$327,290	Completion	\$0	Well Total	\$327,290
MD	2,426	TVD	2,426	Progress	0
				Days	0
				MW	0.0
				Visc	0.0
Formation :	PBTD : 0.0	Perf :		PKR Depth :	0.0

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #8

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

07:00	17:00	10.0	RIG PERFORMING SCHEDULED MAINTENANCE/REBUILD AND INSPECTION. REPAIR DRAWWORKS, AIR LINES, ENGINES, TORQUE CONVERTERS, COMPOUND #1 PUMP IN CASPER SHOP. REPLACING BRACES IN MAST, STRAIGHTEN BEAMS. CONTINUE WORK ON ORIGINAL SUBSTRUCTURE, REPLACING BOTTOMS RAILS, AND REPAIR OR REPLACE DAMAGED UP RIGHT BEAMS IN SUB. CONTINUE WORKING ON CATWALK. GENERAL CLEAN CHIPPING, PAINTING AND RIG REPAIR.
-------	-------	------	--

WELDERS ASSIGNED 9

CREWS FULL

SCOPE OF WORK COMPLETED 27%

ESTIMATED SPUD DATE OCTOBER 13, 2006

NO INCIDENTS/ACCIDENTS OR NEAR MISSES REPORTED

SAFETY MEETING HELD WITH ALL PERSONNEL: WORKING AROUND OR DRIVING THE FORKLIFT/EMPHASIS ON WORKING IN TIGHT AREAS AND ASSIGNING A SPOTTER IF REQUIRED

09-28-2006 Reported By KENT DEVENPORT/ROBERT DYSART

Daily Costs: Drilling	\$5,040	Completion	\$0	Daily Total	\$5,040
Cum Costs: Drilling	\$332,330	Completion	\$0	Well Total	\$332,330
MD	2,426	TVD	2,426	Progress	0
				Days	0
				MW	0.0
				Visc	0.0
Formation :	PBTD : 0.0	Perf :		PKR Depth :	0.0

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #9

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

07:00	17:00	10.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. CONTINUE WORKING ON DRAWWORKS. REPLACING BRACES AND BENT/WORPED BEAMS IN MAST. CONTINUE WORKING ON ORIGINAL SUB, REPLACING BOTTOM RAILS AND REPAIR OR REPLACE DAMAGED UPRIGHT BEAMS. CONTINUE WORKING ON CATWALK, GENERAL CLEAN UP, CHIP AND PAINT, REMOVE #1 GENERATOR/ENGINE FOR REPAIR, SEEMED GENERATOR ARCED. ANNUAL DRILL PIPE INSPECTION COMPLETED (SONIC & MAG PART.), WITH GOOD PERCENTAGE OF PIPE RATED AS PREMIUM, APPROXIMATELY 1% DOWN GRADED FOR DAMAGE.
-------	-------	------	---

WELDERS ASSIGNED 10, CREWS FULL

SCOPE OF WORK COMPLETED 33%

ESTIMATED SPUD DATE OCTOBER 13, 2006

NO INCIDENTS/ACCIDENTS OR NEAR MISSES REPORTED

SAFETY MEETING HELD WITH ALL PERSONNEL: CHECKING TO MAKE SURE THAT ALL REQUIRED SAFETY EQUIPMENT REQUIRED IS AVAILABLE/FIRE EXTINGUISHERS/FIRE BLANKET STETCHER/FIRST AID KIT

HOT WORK PERMIT ISSUED @ 06:30 WITH CONTINUOUS MONITORING AND HAND HELD CHECKS TAKEN @ 07:00 HRS AND 13:00 HRS

09-29-2006 Reported By KENT DEVENPORT

Daily Costs: Drilling	\$3,914	Completion	\$0	Daily Total	\$3,914
Cum Costs: Drilling	\$336,244	Completion	\$0	Well Total	\$336,244
MD	2,426	TVD	2,426	Progress	0
				Days	0
				MW	0.0
				Visc	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #10

Start	End	Hrs	Activity Description
06:00	17:30	11.5	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WORKING ON CHOKE MANIFOLD, ROTARY TABLE. REPLACING BRACES AND BENT/WORPED BEAMS IN MAST. CONTINUE WORKING ON ORIGINAL SUBSTRUCTURE, REPLACING BOTTOM RAILS AND REPAIR OR REPLACE DAMAGED UPRIGHT BEAMS. CONTINUE WORKING ON CATWALK, GENERAL CLEAN UP, CHIP AND PAINT, REMOVE #1 GENERATOR FOR REPAIR. STARTED HARBANDING BHA AND DRILL PIPE.

WELDERS ASSIGNED 10, CREWS FULL

SCOPE OF WORK COMPLETED 38%

ESTIMATED SPUD DATE OCTOBER 13, 2006.

NO INCIDENTS/ACCIDENTS OR NEAR MISSES REPORTED

SAFETY MEETING HELD WITH ALL PERSONNEL: REMINDER TO EVERYONE THAT WORKING ABOVE 6' REQUIRES A HARNESS AND LANYARD SO THAT ANYONE ABOVE THAT HEIGHT CAN TIE OFF

HOT WORK PERMIT ISSUED @ 06:30 WITH CONTINUOUS MONITORING AND HAND HELD CHECKS TAKEN @ 07:00 HRS AND 13:00 HRS.

09-30-2006 Reported By KENT DEVENPORT

Daily Costs: Drilling	\$3,780	Completion	\$0	Daily Total	\$3,780
Cum Costs: Drilling	\$340,024	Completion	\$0	Well Total	\$340,024
MD	2,426	TVD	2,426	Progress	0
				Days	0
				MW	0.0
				Visc	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #11

Start	End	Hrs	Activity Description
07:00	17:00	10.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WORKING ON CHOKE MANIFOLD. REPLACING BRACES AND BENT/WORPED BEAMS IN MAST. CONTINUE WORKING ON ORIGINAL SUBSTRUCTURE-, REPLACING BOTTOM RAILS AND REPAIR OR REPLACE DAMAGED UPRIGHT BEAMS. MAG PARTICLE INSPECT WELDS ON BOTTOM BEAMS OF ORIGINAL SUBS BEFORE ADDING WIND WALL PLATING. CONTINUE WORKING ON CATWALK, GENERAL CLEAN UP, CHIP AND PAINT, REMOVE #1 GENERATOR FOR REPAIR. CONTINUE HARBANDING BHA AND DRILL PIPE.

WELDERS ASSIGNED 10

CREWS FULL

SCOPE OF WORK COMPLETED 42%

ESTIMATED SPUD DATE OCTOBER 14, 2006

NO INCIDENTS/ACCIDENTS OR NEAR MISSES REPORTED

SAFETY MEETING HELD WITH ALL PERSONNEL: MAINTENANCE AND THE UPKEEP OF EQUIPMENT IS ONE OF THE BEST TOOLS TO KEEP A SAFE WORK ENVIRONMENT

RIG CREWS NONE, JUST WELDERS HELPERS (THEY ARE ASSIGNED AS FIRE WATCH AS WELL)

HOT WORK PERMIT ISSUED @ 06:30 HRS WITH CONTINUOUS MONITORING AND HAND HELD CHECKS TAKEN @ 07:00 AND 13:00.

10-01-2006		Reported By		KENT DEVENPORT							
Daily Costs: Drilling		\$3,780		Completion		\$0		Daily Total		\$3,780	
Cum Costs: Drilling		\$343,804		Completion		\$0		Well Total		\$343,804	
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #12											
Start	End	Hrs	Activity Description								
07:00	18:00	11.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. PAINTING ROTATING AND HOISTING EQUIPMENT. REPLACING BRACES AND BENT/WORPED BEAMS IN MAST HEAVIER MATERIAL BEING USED. CONTINUE WORKING ON ORIGINAL SUBSTRUCTURE-, REPLACING BOTTOM RAILS AND REPAIR OR REPLACE DAMAGED UPRIGHT BEAMS. CONTINUE WORK ON MUD PIT AND MATTING BOARDS. CONTINUE WORKING ON CATWALK, GENERAL CLEAN UP, CHIP AND PAINT. CONTINUE HARBANDING BHA AND DRILL PIPE.								

WELDERS ASSIGNED 8, CREWS FULL

SCOPE OF WORK COMPLETED 45%

ESTIMATED SPUD DATE OCTOBER 14, 2006

NO INCIDENTS/ACCIDENTS OR NEAR MISSES REPORTED:

SAFETY MEETING HELD WITH ALL PERSONNEL: CONTINUE WITH THE THEME OF WORKING AT HEIGHTS REQUIRES HARNESS OVER 6'

HOT WORK PERMIT ISSUED @ 06:30 HRS W/CONTINUOUS MONITORING AND HAND HELD CHECKS TAKEN @ 07:00 HRS AND 13:00 HRS

10-02-2006		Reported By		KENT DEVENPORT							
Daily Costs: Drilling		\$3,780		Completion		\$0		Daily Total		\$3,780	
Cum Costs: Drilling		\$347,584		Completion		\$0		Well Total		\$347,584	
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #13											
Start	End	Hrs	Activity Description								

07:00 19:30 12.5 RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. CREWS PAINTING ROTATING AND HOISTING EQUIPMENT, UNTIL DARK. WELDING THE REPLACEMENT BEAM AND BRACES SOLID AFTER ALIGNING MAST. WELDING SKIN ON OUTSIDE OF SUBSTRUCTURE AFTER INSPECTION OF WELDS. CONTINUE WORK ON MUD PIT AND MATTING BOARDS. CONTINUE WORKING ON CATWALK, PAINTING OUT BUILDINGS INSIDE. CONTINUE HARBANDING DRILL PIPE.

WELDERS ASSIGNED 9, CREWS FULL
SCOPE OF WORK COMPLETED 50%

ESTIMATED SPUD DATE OCTOBER 14, 2006

NO INCIDENTS/ACCIDENTS OR NEAR MISSES REPORTED:

WORK W/NEW CREW IN THE MODIFICATION MODE RATHER THAN DRILLING, NEW OPERATION FOR THEM

HOT WORK PERMIT ISSUED @ 06:30 HRS WITH CONTINUOUS MONITORING AND HAND HELD CHECKS TAKEN @ 07:00 HOURS- 13:00 HOURS - 17:00 HOURS

10-03-2006	Reported By	KENT DEVENPORT									
Daily Costs: Drilling	\$3,885	Completion	\$0	Daily Total	\$3,885						
Cum Costs: Drilling	\$351,469	Completion	\$0	Well Total	\$351,469						
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #14

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. CREWS PAINTING DRAWWORKS ROTARY TABLE & PREPARING MOTOR SHED FOR PAINT. WELDING THE REPLACEMENT BEAM AND BRACES SOLID AFTER ALIGNING MAST. WELDING SKIN ON OUTSIDE OF SUBSTRUCTURE AFTER INSPECTION OF WELDS. CONTINUE WORK ON MUD PIT AND MATTING BOARDS. BEGIN WORK ON A-FRAME AND SPREADER BEAMS IN SUBSTRUCTURE WITH REPLACEMENT POCKETS AND SOCKETS.

WELDERS ASSIGNED 10, CREWS FULL
SCOPE OF WORK COMPLETED 50%

ESTIMATED SPUD DATE OCTOBER 14, 2006

NO INCIDENTS/ACCIDENTS OR NEAR MISSES REPORTED: HAD WELDERS DISCUSS THE SAFETY ITEMS THAT THEY CARRY ON THE WELDING TRUCKS SUCH AS FLASH ARRESTORS ON CUTTING TORCH LINES AND FIRE EXTINGUISHERS ETC

HOT WORK PERMIT ISSUED @ 06:30 WITH CONTINUOUS MONITORING AND HAND HELD CHECKS TAKEN @ 07:00 HOURS- 13:00 HOURS - 17:00 HOURS

10-04-2006	Reported By	KENT DEVENPORT									
Daily Costs: Drilling	\$3,780	Completion	\$0	Daily Total	\$3,780						
Cum Costs: Drilling	\$355,249	Completion	\$0	Well Total	\$355,249						
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY #15

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. CREWS PAINTING INSIDE MOTOR SHED. WELDING THE REPLACEMENT BEAM AND BRACES SOLID AFTER ALIGNING MAST. WELDING SKIN ON OUTSIDE OF SUBSTRUCTURE AFTER INSPECTION OF WELDS. CONTINUE WORK ON MUD PIT AND MATTING BOARDS. WORKING ON A-FRAME AND SPREADER BEAMS IN SUBSTRUCTURE WITH REPLACEMENT POCKETS AND SOCKETS.

WELDERS ASSIGNED 9 CREWS FULL
SCOPE OF WORK COMPLETED 57%

ESTIMATED SPUD DATE OCTOBER 14, 2006

NO INCIDENTS/ACCIDENTS OR NEAR MISSES REPORTED

HAD WELDERS DISCUSS THE SAFETY ITEMS THAT THEY CARRY ON THE WELDING TRUCKS SUCH AS FLASH ARRESTORS ON CUTTING TORCH LINES AND FIRE EXTINGUISHERS ETC

HOT WORK PERMIT ISSUED @ 06:30 WITH CONTINUOUS MONITORING AND HAND HELD CHECKS TAKEN @ 07:00 HOURS- 13:00 HOURS - 17:00 HOURS

10-05-2006		Reported By		PETE COMEAU							
Daily Costs: Drilling	\$3,780	Completion	\$0	Daily Total	\$3,780						
Cum Costs: Drilling	\$359,029	Completion	\$0	Well Total	\$359,029						
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTB : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY 16											

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WELDING ON DERRIK 90% COMPLETE, WELDING SKIN ON OUTSIDE OF SUBSTRUCTURE AFTER INSPECTION OF WELDS. CONTINUE WORK ON MUD PITS & MATTING BOARDS. WORKING ON SPREADER BEAMS IN SUBSTRUCTURE WITH REPLACEMENTS POCKETS & SOCKETS. WORKING ON "A" LEGS NEW BRANDT SHAKERS ARRIVED FROM CASPER.

WELDERS ASIGNED 14, CREWS FULL
SCOPE OF WORK COMPLETED 60%

ESTIMATED SPUD DATE, 10 / 14 / 06

NO INCIDENTS/ ACCIDENTS OR NEAR MISSES REPORTED

HOT WORK PERMIT ISSUED @ 06:30. WITH CONTINUES MONITORING AND HAND HELD CHECKS TAKED @ 07:00 HRS - 13:00 HRS - 17:00 HRS

10-06-2006		Reported By		PETE COMEAU							
Daily Costs: Drilling	\$3,780	Completion	\$0	Daily Total	\$3,780						
Cum Costs: Drilling	\$362,809	Completion	\$0	Well Total	\$362,809						
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTB : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY 17											

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WELDING ON DERRIK COMPLETE, WORK STILL PROGRESSING ON "A" LEGS. WORK STILL PROGRESSING ON SUBSTRUCTURE BEAMS. CREWS INSTALLING NEW WATER LINE, STEAM LINE & AIR LINE PIPING IN SUB BASE. #1 GENERATOR ARRIVED ON LOCATION.

WELDERS ASSIGNED 13
SCOPE OF WORK COMPLETED 64%
HEAVY RAIN SLOWED WELDING IN AFTERNOON

ESTIMATED SPUD DATE 10/14/06

NO INCIDENTS, ACCIDENTS OR NEAR MISSES REPORTED
CREWS FULL

HOT WORK PERMIT ISSUED @ 06:30 WITH CONTINUES AND HAND HELD MONITORING TAKEN AT 07:00, 13:00, 17:00 HRS

10-07-2006	Reported By	PETE COMEAU									
Daily Costs: Drilling	\$3,780	Completion	\$0	Daily Total	\$3,780						
Cum Costs: Drilling	\$366,589	Completion	\$0	Well Total	\$366,589						
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY 18

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. NO WELDERS WORKING TODAY DUE TO HEAVY RAIN, ROAD CONDITIONS NEAR IMPASSABLE. CREW WORKING ON PIPE WORK IN SUB BASE. SCOPE OF WORK COMPLETED 64%, ESTIMATED SPUD DATE MOVED TO 10/15/06

NO INCIDENTS, ACCIDENTS OR NEAR MISSES REPORTED

HOT WORK PERMIT ISSUED @ 06:30 WITH CONTINUES & HAND HELD MONITORING TAKEN @ 07:00 HRS, 13:00 HRS & 16:00 HRS

10-08-2006	Reported By	PETE COMEAU									
Daily Costs: Drilling	\$3,780	Completion	\$0	Daily Total	\$3,780						
Cum Costs: Drilling	\$370,369	Completion	\$0	Well Total	\$370,369						
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY 19

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WELDERS CONTINUE WORKING ON SUBSTRUCTURE AND DERRICK MAST. CREWS WORKING ON PAINTING EQUIPMENT. SCOPE OF WORK COMPLETED 66%.

ESTIMATED SPUD DATE MOVED TO 10/15/06
WELDERS WORKING 10, RIG CREWS FULL

NO INCIDENTS, ACCIDENTS OR NEAR MISSES REPORTED
SAFETY MEETINGS HELD WITH ALL CREWS: TOPIC NOT AVAILABLE

HOT WORK PERMIT ISSUED @ 06:30 HRS WITH CONTINUES & HAND HELD MONITORING TAKEN @ 07:00 HRS, 13:00 HRS & 16:00 HRS

10-09-2006	Reported By	PETE COMEAU									
Daily Costs: Drilling	\$3,780	Completion	\$0	Daily Total	\$3,780						
Cum Costs: Drilling	\$374,149	Completion	\$0	Well Total	\$374,149						
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY 20

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WELDERS CONTINUE WORKING ON SUBSTRUCTURE AND DERRICK MAST INSTALLING NEW BRANDT DUAL TANDEM SHAKER. CREWS WORKING ON PAINTING RIG AND EQUIPMENT. SCOPE OF WORK COMPLETED 70%.

ESTIMATED SPUD DATE MOVED TO 10/16/06
WELDERS WORKING 9, RIG CREWS FULL

ONE ILLNESS REPORTED: WELDER FOR TRUE DRILLING FELL ILL FROM A PRE-EXISTING CONDITION AND WILL BE ASSIGNED DIFFERENT RESPONSIBILITIES DURING THE COMPLETION OF THE MAINTENANCE AND WELDING OF THE RIG. THE EOG EMERGENCY RESPONDER (MICHAEL HENLEY) MADE A TRIP TO THE RIG AND HELPED TO DETERMINE THE CONDITION OF THE PATIENT.

SAFETY MEETINGS HELD WITH ALL CREWS: TOPIC NOT AVAILABLE

HOT WORK PERMIT ISSUED @ 06:30 HRS WITH CONTINUES & HAND HELD MONITORING TAKEN @ 07:00 HRS, 13:00 HRS & 16:00 HRS

10-10-2006	Reported By	PETE COMEAU									
Daily Costs: Drilling	\$48,142	Completion	\$0	Daily Total	\$48,142						
Cum Costs: Drilling	\$422,291	Completion	\$0	Well Total	\$422,291						
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY 21

Start	End	Hrs	Activity Description
07:00	18:00	11.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WELDERS CONTINUE WORKING ON SUBSTRUCTURE & SPREADER BEAMS IN SUB, INSTAL NEW BRANDT DUAL TANDEM SHAKER. CREWS WORKING ON PAINTING RIG AND EQUIPMENT. SCOPE OF WORK COMPLETED 72%. DELIVERY OF DRILLING ENGINES F/ CASPER EXPECTED 10/10 IN THE MORNING. DUE TO RAIN IN THE AFTERNOON WELDERS RELEASED @ 13:30 AND PAINTING OF ALL ITEMS DELAYED GAS BUSTER AND CHOKE FROM ZECO VERNAL DUE ON FRIDAY 10/13/06

ESTIMATED SPUD DATE MOVED TO 10/16/06
WELDERS WORKING 11, - RIG CREWS FULL

NO INCIDENTS OR ACCIDENTS REPORTED:

SAFETY MEETINGS HELD WITH ALL CREWS: TOPIC NOT AVAILABLE

HOT WORK PERMIT ISSUED @ 06:30 HRS WITH CONTINUES & HAND HELD MONITORING TAKEN @ 07:00
HRS, 13:00 HRS & 16:00 HRS

10-11-2006	Reported By	PETE COMEAU									
Daily Costs: Drilling	\$3,780	Completion	\$0	Daily Total	\$3,780						
Cum Costs: Drilling	\$426,071	Completion	\$0	Well Total	\$426,071						
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY 22

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WELDERS CONTINUE WORKING ON SUBSTRUTURE & SPREADER BEAMS IN SUB. INSTAL NEW BRANDT DUAL TANDEM SHAKER 45% COMPLETE. CREWS WORKING ON PAINTING RIG AND EQUIPMENT. SCOPE OF WORK COMPLETED 75%. DRILLING PRIME MOVERS W/ NEW TORQUE CONVERTERS INSTALLED IN MOTOR SHED. GAS BUSTER AND CHOKE FROM ZECO VERNAL DUE ON FRIDAY 10/13/06 CONTINUE WELDING IN NEW SUCTION LINE FOR CHARGE PUMP.

ESTIMATED SPUD DATE MOVED TO 10/16/06

WELDERS WORKING 12, - RIG CREWS FULL

NO INCIDENTS OR ACCIDENTS REPORTED:

SAFETY MEETINGS HELD WITH ALL CREWS: TOPIC NOT AVAILABLE

HOT WORK PERMIT ISSUED @ 06:30 HRS WITH CONTINUES & HAND HELD MONITORING TAKEN @ 07:00
HRS, 13:00 HRS & 16:00 HRS

10-12-2006	Reported By	PETE COMEAU									
Daily Costs: Drilling	\$3,780	Completion	\$0	Daily Total	\$3,780						
Cum Costs: Drilling	\$429,851	Completion	\$0	Well Total	\$429,851						
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY 23

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WELDERS CONTINUE WORKING ON SUBSTRUTURE & SPREADER BEAMS IN SUB. INSTAL NEW BRANDT DUAL TANDEM SHAKER 50% COMPLETE. CREWS WORKING ON PAINTING RIG AND EQUIPMENT. SCOPE OF WORK COMPLETED 78%. GAS BUSTER AND CHOKE FROM ZECO VERNAL DUE ON FRIDAY 10/13/06 CONTINUE WELDING IN NEW SUCTION LINE FOR CHARGE PUMP.

ESTIMATED SPUD DATE MOVED TO 10/16/06
WELDERS WORKING 12, - RIG CREWS FULL

NO INCIDENTS OR ACCIDENTS REPORTED:
SAFETY MEETINGS HELD WITH ALL CREWS: TOPIC NOT AVAILABLE

HOT WORK PERMIT ISSUED @ 06:30 HRS WITH CONTINUES & HAND HELD MONITORING TAKEN @ 07:00 HRS, 13:00 HRS & 16:00 HRS

10-13-2006 **Reported By** PETE COMEAU

Daily Costs: Drilling	\$3,780	Completion	\$0	Daily Total	\$3,780
Cum Costs: Drilling	\$433,631	Completion	\$0	Well Total	\$433,631

MD 2,426 **TVD** 2,426 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY 24

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WELDERS CONTINUE WORKING ON SUBSTRUTURE & SPREADER BEAMS IN SUB. INSTAL NEW BRANDT DUAL TANDEM SHAKER 65% COMPLETE. CREWS WORKING ON PAINTING RIG AND EQUIPMENT. SCOPE OF WORK COMPLETED 80%. #1 MUD PUMP RETURNED FROM CASPER READY FOR RIG UP. GAS BUSTER AND CHOKE FROM ZECO VERNAL DUE ON FRIDAY 10/13/06.

EXPECTED TO START STACKING SUBS TOGETHER 10/13/06
TRUCK EXPECTED TO RIG UP 10/14/06

ESTIMATED SPUD DATE MOVED TO 10/16/06
WELDERS WORKING 12, RIG CREWS FULL
NO INCIDENTS OR ACCIDENTS REPORTED
SAFETY MEETINGS HELD WITH ALL CREWS: TOPIC NOT AVAILABLE

HOT WORK PERMIT ISSUED @ 06:30 HRS WITH CONTINUES & HAND HELD MONITORING TAKEN @ 07:00 HRS, 13:00 HRS & 16:00 HRS

10-14-2006 **Reported By** PETE COMEAU

Daily Costs: Drilling	\$3,600	Completion	\$0	Daily Total	\$3,600
Cum Costs: Drilling	\$437,231	Completion	\$0	Well Total	\$437,231

MD 2,426 **TVD** 2,426 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY 25

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WELDERS CONTINUE WORKING ON SUBSTRUTURE & SPREADER BEAMS IN SUB. INSTAL NEW BRANDT DUAL TANDEM SHAKER 75% COMPLETE. CREWS WORKING ON PAINTING RIG AND EQUIPMENT. SCOPE OF WORK COMPLETED 83%. GAS BUSTER ARRIVED WILL INSTAL WITH NEW HOOK UP.

STACKING OF SUBS DELAYED TILL 10/14/06
TRUCK EXPECTED TO RIG UP 10/14/06 @ 10:00 HOURS

ESTIMATED SPUD DATE MOVED TO 10/18/06
WELDERS WORKING 12, RIG CREWS FULL
NO ACCIDENTS REPORTED

ONE INCIDENT WHERE BRIAN KLIENHAUSER WAS BITTEN BY MOUSE (GIVEN TETANUS SHOT AND RETURNED TO WORK)

SAFETY MEETING HELD WITH ALL CREWS: TOPIC NOT AVAILABLE

HOT WORK PERMIT ISSUED @ 06:30 HRS HAND HELD MONITORING TAKEN @ 07:00 HRS, 10:00 & 13:00 HRS
& 15:00 & 17:00 HRS

10-15-2006 **Reported By** PETE COMEAU

Daily Costs: Drilling	\$3,600	Completion	\$0	Daily Total	\$3,600
Cum Costs: Drilling	\$440,831	Completion	\$0	Well Total	\$440,831

MD 2,426 **TVD** 2,426 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY 26

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WELDERS CONTINUE WORKING ON SUBSTRUCTURE & SPREADER BEAMS IN SUB FITTING BEAMS DURING RIG UP. INSTAL NEW BRANDT DUAL TANDEM SHAKER 75% COMPLETE. CREWS WORKING ON PAINTING RIG AND EQUIPMENT AND RIGGING UP. SCOPE OF WORK COMPLETED 85%.

RIG 20% RIGGED UP + DELAY'S CONTINUE DUE TO INCLEMENT WEATHER

ESTIMATED SPUD DATE MOVED TO 10/18/00

WELDERS WORKING 7 WORKED COMPLETE DAY - 4 DEPARTED DUE TO RAIN @ 15:00 HOURS
RIG CREWS FULL

NO INCIDENTS OR ACCIDENTS REPORTED
SAFETY MEETINGS HELD: NO TOPIC AVAILABLE

HOT WORK PERMIT ISSUED @ 06:30 HRS HAND HELD MONITORING TAKEN @ 07:00 HRS, 10:00 & 13:00 HRS
& 15:00 & 17:00 HRS

10-16-2006 **Reported By** PETE COMEAU

Daily Costs: Drilling	\$3,600	Completion	\$0	Daily Total	\$3,600
Cum Costs: Drilling	\$444,431	Completion	\$0	Well Total	\$444,431

MD 2,426 **TVD** 2,426 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY 27

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WELDERS CONTINUE WORKING ON SUBSTRUCTURE & SPREADER BEAMS. COMPLETE STACKING OF SUBSTRUCTURES AND SET MOTORS AND DRAWWORKS AND ROTARY. INSTAL NEW BRANDT DUAL TANDEM SHAKER 80%. CREWS PAINTING RIG AND EQUIPMENT AND RIGGING UP. SCOPE OF WORK COMPLETED 88%.

RIG 30% RIGGED UP

ESTIMATED SPUD DATE MOVED TO 10/18/00

WELDERS WORKING 12 COMPLETE DAY

RIG CREWS FULL

NO INCIDENTS OR ACCIDENTS REPORTED

SAFETY MEETINGS HELD: NO TOPIC AVAILABLE

HOT WORK PERMIT ISSUED @ 06:30 HRS HAND HELD MONITORING TAKEN @ 07:00 HRS, 10:00 & 13:00 HRS
& 15:00 & 17:00 HRS

10-17-2006	Reported By	PETE COMEAU									
Daily Costs: Drilling	\$24,505	Completion	\$0	Daily Total	\$24,505						
Cum Costs: Drilling	\$468,936	Completion	\$0	Well Total	\$468,936						
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: SUBSTRUCTURE/MAST REBUILD DAY 28

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE AND INSPECTION. WELDERS FINISHED WORKING ON SUBSTRUCTURE SPREADER BEAMS. HEAVY RAIN STOPPED WELDING @ 15:00 HRS. 10 WELDERS WORKED PARTIAL DAY. NEW BRANDT DUAL SHAKERS 90% INSTALLED. RAISED DERRIK @ 17:00 HRS.

ESTIMATED SPUD DATE 10/18/06 DEPENDING ON RAIN

NO INCIDENTS OR ACCIDENTS REPORTED

SAFETY MEETING: 100% TIE OFF/WORKING IN SLIPPERY CONDITIONS

RECIEVED 8000 GALLONS #2 DYED DIESEL

TEMP 45 DEGREES

10-18-2006	Reported By	PETE COMEAU									
Daily Costs: Drilling	\$6,699	Completion	\$0	Daily Total	\$6,699						
Cum Costs: Drilling	\$475,635	Completion	\$0	Well Total	\$475,635						
MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: SUBSTRUCTURE & MAST REBUILD/DAY 29

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE & INSPECTION. NO WELDING TODAY DUE TO HEAVY RAIN ALL DAY. MUD PUMPS SPOTTED IN PLACE. RIGGING UP RIG FLOOR, SUCTION TANK SPOTTED & PUMPS HOOKED UP. V-DOOR & CATWALK SET IN PLACE. MOTOR SHED ENCLOSED. RIG 50% RIGGED UP. WELDING LEFT TO BE DONE. GUIDES ON PUMP MATS, MODIFY ROTARY GUARD, FLOWLINE REBUILD. STAIRS TO FLOOR.

CREW SHORT 2 MEN: 1 DRILLER & 1 FLOORMAN (TOTAL 13 MEN WORKING 10 HR SHIFTS)

SAFETY MEETING: WORKING IN POOR VISIBILITY/CRANE OPERATION & FORKLIFT SAFETY

NO INCIDENTS OR ACCIDENTS

TEMP 37 DEGREES

VERY POOR ROAD CONDITION AND SOME FLOODING (CREWS WARNED ABOUT CROSSING THROUGH FLOODED AREAS)

ESTIMATED SPUD DATE MOVED TO 10/19/06 OR 10/20/06 DEPENDING ON WEATHER

10-19-2006 **Reported By** PETE COMEAU/ KEN MCINTYRE

Daily Costs: Drilling	\$21,685	Completion	\$0	Daily Total	\$21,685
Cum Costs: Drilling	\$497,320	Completion	\$0	Well Total	\$497,320
MD	2,426	TVD	2,426	Progress	0
		Days	0	MW	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: SUBSTRUCTURE & MAST REBUILD/DAY 30

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE & INSPECTION. 6 WELDERS WORKING TODAY. WORKED ON V-DOOR STAIRS, LADDERS IN SUB BASE, MUD TANK STAIRS, FLOW LINE. 80% COMPLETE. SET GAS BUSTER & TRIP TANK IN PLACE SPOTTED BOILER.

CREW SHORT 1 FLOOR MAN, 14 MEN WORKING 10 HR SHIFTS

SAFETY MEETING: 100% TIE OFF/CRANE & FORKLIFT OPERATIONS

NO INCIDENTS OR ACCIDENTS

TEMP 34 DEGREES

10-20-2006 **Reported By** PETE COMEAU/ KEN MCINTYRE

Daily Costs: Drilling	\$6,466	Completion	\$0	Daily Total	\$6,466
Cum Costs: Drilling	\$503,786	Completion	\$0	Well Total	\$503,786
MD	2,426	TVD	2,426	Progress	0
		Days	0	MW	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: SUBSTRUCTURE & MAST REBUILD/DAY 31

Start	End	Hrs	Activity Description
07:00	19:00	12.0	RIG PERFORMING SCHEDULED MAINTENANCE & INSPECTION. 3 WELDERS WORKING TODAY. COMPLETED STAIRS IN SUB BASE. PAINTED INSIDE SUB BASE 80% COMPLETE. WELDED ON RE-FAB OF GAS BUSTER , FLOWLINE, DESANDER MOUNTING, ROTARY CHAIN GAURD. REPLACED THROTTLE LINKAGE ON #1 ENGINE. PUT UP RAILING FOR WINTERIZING.

CREWS FULL, 15 MEN WORKING 10 HR SHIFTS

NO INCIDENTS OR ACCIDENTS

SAFETY MEETING: WELDING/FORKLIFT/WORKING AROUND OPEN SPACE IN RIG FLOOR/100% TIE OFF REQUIRED

TEMP 41 DEGREES

HOT WORK PERMIT ISSUED @ 07:00. HAND HELD MONITORING REQUIRED 3 TIMES PER SHIFT

10-21-2006 **Reported By** PETE COMEAU/ KEN MCINTYRE

Daily Costs: Drilling	\$6,004	Completion	\$0	Daily Total	\$6,004
Cum Costs: Drilling	\$509,790	Completion	\$0	Well Total	\$509,790
MD	2,426	TVD	2,426	Progress	0
		Days	0	MW	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: SUBSTRUCTURE & MAST REBUILD

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

07:00	19:00	12.0	RIG PREFORMING SCHEDULED MAINTENANCE & INSPECTION. 6 WELDERS WORKING TODAY. GAS BUSTER 75% DONE, DESANDER 75% DONE, SHAKERS 95 % DONE, ROTARY CHAIN GUARD 100% DONE, WINDWALL 80% DONE. PASON 80% RIG BACK UP.
-------	-------	------	--

CREWS FULL, 15 MEN WORKING 10 HRS SHIFTS

NO INCIDENTS OR ACCIDENTS

SAFETY MEETING: WELDING/FORKLIFT/WORKING AROUND OPEN SPACES ON RIG FLOOR/100% TIE OFF REQUIRED

TEMP 38 DEGREES

HOT WORK PERMIT ISSUED @ 07:00 HRS, HAND HELD MONITORING 3 TIMES PER SHIFT.

10-22-2006	Reported By	PETE COMEAU/ KEN MCINTYRE
------------	-------------	---------------------------

Daily Costs: Drilling	\$5,754	Completion	\$0	Daily Total	\$5,754
-----------------------	---------	------------	-----	-------------	---------

Cum Costs: Drilling	\$515,544	Completion	\$0	Well Total	\$515,544
---------------------	-----------	------------	-----	------------	-----------

MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
----	-------	-----	-------	----------	---	------	---	----	-----	------	-----

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
-------------	------------	--------	-----------------

Activity at Report Time: SUBSTRUCTURE & MAST REBUILD

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

07:00	19:00	12.0	PREFORM SCHEDULED MAINTENANCE & INSPECTION. 6 WELDERS, GAS BUSTER 95% RIGGED UP, DESANDER 85% , SHAKERS 100% , WINDWALLS 100%, PASON 95%, RIG 90% DONE.
-------	-------	------	---

15 MEN WORKING 10 HRS SHIFTS

NO INCEDENTS OR ACCIDENTS

SAFETY MEETING: WELDING/FORK LIFT/SLIP, TRIPS & FALLS/OPEN SPACES ON RIG FLOOR/100% TIE OFF REQUIRED

TEMP 32 DEGREES

HOT WORK PERMIT ISSUED @ 0700 HRS HAND HELD GAS MONITORING 3 TIMES PRE DAY.

10-23-2006	Reported By	PETE COMEAU/ KEN MCINTYRE
------------	-------------	---------------------------

Daily Costs: Drilling	\$5,334	Completion	\$0	Daily Total	\$5,334
-----------------------	---------	------------	-----	-------------	---------

Cum Costs: Drilling	\$520,857	Completion	\$0	Well Total	\$520,857
---------------------	-----------	------------	-----	------------	-----------

MD	2,426	TVD	2,426	Progress	0	Days	0	MW	0.0	Visc	0.0
----	-------	-----	-------	----------	---	------	---	----	-----	------	-----

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
-------------	------------	--------	-----------------

Activity at Report Time: SUB BASE & MAST REBUILD

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

07:00	19:00	12.0	PERFORM SCHEDULED MAINTENANCE & INSPECTION. 6 WELDERS WORKING 10 HRS. WORK ON PUMP BELT GUARDS, DESANDER, MUD TANKS, GAS BUSTER, STAIRS, HAND RAILINGS ON MUD TANKS. GRATING ON WALKWAYS ON MUD TANKS. MECHANICS WORKING ON LINE UP OF FLOOR MOTORS.
-------	-------	------	--

SAFETY MEETING HELD @ 07:00 TOPIC: ELECTRICAL CHORDS TO BE STRUNG CORRECTLY & PROPER GROUNDING/WORKING AROUND OPEN SPACE SUCH AS ON RIG FLOOR WITH FLOOR PLATES REMOVED MUST BE TIED OFF/FORK LIFT OPERATIONS

HOT WORK PERMIT ISSUED @ 07:00, FIRE WATCH ASSIGNED, HAND HELD GAS MONITOR

CREWS FULL, 15 MEN WORKING 10 HR SHIFTS
NO INCIDENTS OR ACCIDENTS
TEMP 34 DEGREES

ESTIMATE START OPERATIONS AND TEST BOPS 08:00 HRS 10/24/06

10-24-2006 **Reported By** PETE COMEAU/ KEN MCINTYRE

Daily Costs: Drilling	\$11,683	Completion	\$0	Daily Total	\$11,683
Cum Costs: Drilling	\$532,540	Completion	\$0	Well Total	\$532,540

MD 2,426 **TVD** 2,426 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: SUB BASE & MAST REBUILD

Start	End	Hrs	Activity Description
07:00	19:00	12.0	PERFORM SCHEDULED MAINTENANCE AND INSPECTION. 6 WELDERS WORKING 10 HRS, WORKING ON PUMP GUARDS, FLARE LINES, NEW LINE FROM CHOKE MANIFOLD TO GAS BUSTER. MUD LINE IN SUB BASE, HAND RAILINGS, MUD TANK GRATING. MECHANIC WORKING ON DIAL IN MOTORS, BRAKE EQUILIZER & LINKAGE.

HOT WORK PERMIT ISSUED @ 07:00, FIRE WATCH ASSIGNED, HAND HELD GAS MONITOR TO BE USED.

SAFETY MEETING: HEAVY LIFTS/FORKLIFT OPERATIONS

CREWS FULL, 15 MEN WORKING 10 HR SHIFTS

NO INCIDENTS OR ACCIDENTS

INTEND TO BREAK TOUR 10/24/06, START OPERATIONS 10/25/06

TEMP 36 DEGREES

10-25-2006 **Reported By** PETE COMEAU/ KEN MCINTYRE

Daily Costs: Drilling	\$44,652	Completion	\$0	Daily Total	\$44,652
Cum Costs: Drilling	\$577,192	Completion	\$0	Well Total	\$577,192

MD 2,426 **TVD** 2,426 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: RU ROTARY TOOLS

Start	End	Hrs	Activity Description
07:00	06:00	23.0	RIGGING UP & BROKE TOWER. 5 WELDERS WORKING 10 HRS ON PUMP GUARDS, GAS BUSTER LINE, HAND RAILS AND MISCELLANEOUS THINGS. MECHANIC WORKING ON FLOOR MTRS & BRAKES. SPOTTED PIPE TUBS. FINISH RIGGING UP RIG FLOOR & PICK UP ROTARY TOOLS. PRESSURE TEST AROUND 12:00 HRS. CIRCULATED PUMPS, FUNCTION TESTED BOP.

FUEL ON HAND 7200 GALS

CREWS SHORT ONE HAND MORINING TOWER.

SAFETY MEETING: HELD FORK LIFT/PICKING UP SWIVEL & KELLY/WORKING WITH WELDERS

HOT WORK PERMIT ISSUED @ 07:00, FIREWATCH ASIGNED. HAND HELD GAS MONITOR WILL BE USED.

NO INCIDENTS OR ACCIDENTS

TEMP 43 DEGREES

NOTIFIED BLM @ 08:10 AM, 10/24/06 VOICE MAIL OF JAMIE SPARTER OF BOP TEST @ 08:00 AM 10/25/06
 NOTIFIED CLIFF JOHNSON W/BLM STOPPED OUT@ 14:30 10/24/06 (HE WILL BE OUT FOR BOP TEST)
 NOTIFIED DEPARTMENT OF NATURAL RESOURCES (801-538-5340) LEFT MESSAGE FOR CAROL DANIELS
 OF BOP TEST @ 08:00 AM, 10/25/06

10-26-2006	Reported By	KEN MCINTYRE									
Daily Costs: Drilling	\$39,841	Completion	\$0	Daily Total	\$39,841						
Cum Costs: Drilling	\$617,034	Completion	\$0	Well Total	\$617,034						
MD	2,569	TVD	2,569	Progress	135	Days	1	MW	0.0	Visc	0.0
Formation :	PBTB : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	RIG UP ROTARY TOOLS. 5 WELDERS WELDING ON HANDRAILS, HOPPER HOUSE LANDING, FLOOR PLATES.
09:00	12:00	3.0	NU BOP. READY FOR PRESSURE TEST. RIG ON DAY WORK @ 09:00 HRS, 10/25/06.
12:00	20:00	8.0	HOLD PRE JOB SAFETY MEETING WITH CREWS AND TESTER. TEST BOP EQUIPMENT W/B&C QUICK TEST. CLIFF JOHNSON WITH BLM ON LOCATION FOR OBSERVATION. TESTED 250 PSI LOW AND 5,000 PSI HIGH TEST ON UPPER/LOWER KELLY VALVE, INSIDE BOP, SAFETY VALVE, PIPE RAMS, INSIDE MANUAL CHOKE LINE VALVE, HCR VALVES VALVE, BLIND RAMS, KILL LINE VALVE, OUTSIDE MANIFOLD VALVE HELD 5 MINUTES LOW PRESSURE AND 10 MINUTES HIGH PRESSURE. TEST ANNULAR PREVENTER W/250 PSI LOW PRESSURE AND 2,500 PSI HIGH PRESSURE. TEST 9.625" CASING TO 1,500 PSI FOR 30 MINUTES.
20:00	20:15	0.25	INSTALL WEAR BUSHING.
20:15	00:30	4.25	PU BHA & DP TAG CEMENT @ 2270.
00:30	02:45	2.25	DRILL CEMENT/FLOAT EQUIPMENT 2270' - 2422', SHOE @ 2422'.
02:45	03:00	0.25	DRILL 12' NEW HOLE 2422' - 2434', ROP 48 FPH, WOB 10K, RPM 50/62 MTR, SPM 117, GPM 410, OFF BTM 1070 PSI, ON BTM 1370.
03:00	03:30	0.5	FIT, MWT 8.5, 11.5 EQUIV. MWT, 385 PSI, NO TEST, HELD 300 PSI 10.9 EQUIV MWT.
03:30	04:00	0.5	WIRELINE SURVEY @ 2360', 1.75 DEG.
04:00	06:00	2.0	DRILL ROTATE 2434' - 2569', ROP 77.14 FPHR, WOB 15K, RPM 50/62 MTR, SPM 117, GPM 410, OFF BTM 1070 PSI, ON BTM 1250 PSI.

BOP DRILL MORNING TOWER 55 SEC

FUEL ON HAND 6700 GALS, FUEL USED 500 GALS

CREWS FULL

NO UNCIDENTS OR ACCIDENTS.

SAFETY MEETING: TESTING BOP HIGH PRESSURE/PICKING UP BHA/CONNECTIONS & PICKING UP DP
 TEMP 32 DEGREES & SNOWING

LITHOLOGY: BGG 50-60U, DTG 314U @ 2434, HG 1498 @ 2423, GREEN RIVER 1927' - 2851'

MUD LOGGER ON LOCATION 14:00 HRS, 10/25/06, DUSTIN TISSAW

VIS 30, MWT 8.6

06:00 18.0 SPUD 7 7/8" HOLE @ 04:00 HRS, 10/26/06.

10-27-2006	Reported By	KEN MCINTYRE							
Daily Costs: Drilling	\$36,890	Completion	\$0	Daily Total	\$36,890				
Cum Costs: Drilling	\$654,008	Completion	\$0	Well Total	\$654,008				

MD 4,591 TVD 4,589 Progress 2,022 Days 2 MW 8.8 Visc 31.0
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILL ROTATE 2569' – 2920', 351', ROP 100 FPHR, SPM 120, GPM 420, RPM 50/63, OFF BTM 1150 PSI, ON BTM 1600.
10:30	11:00	0.5	CIRCULATE FOR SURVEY.
11:00	11:30	0.5	SURVEY DEPTH @ 2850', 1.0 DEGREE.
11:30	12:00	0.5	SERVICE RIG. FUNCTION TESTED PIPE RAMS, OPERATED KELLY COCKS, FLOOR VALVES. CHECKED CROWN-O-MATIC.
12:00	22:00	10.0	DRILL ROTATE 2920' – 3927', 1007', ROP 134 FPHR, SPM 125, GPM 446, WOB 28K, OFF BTM 1500 PSI, ON BTM 1800 PSI.
22:00	22:30	0.5	SURVEY DEPTH 3850', 1.25 DEGREES.
22:30	06:00	7.5	DRILL ROTATE 3927' – 4591', 664', ROP 110.67 FPHR, WOB 28K, RPM 50/67 MTR, SPM 125, GPM 438, OFF BTM 1500 PSI, ON BTM 1850 PSI.

PU 122VK, SO 120, ROT 125K, SPR #1 – 71 STKS 400 PSI, #2 – 74 STKS 300 PSI

MUD VIS 34, WT 9.8#, BRINGING MUD WEIGHT .1 – .2 PER CIRCULATION

LITHOLOGY 60% SHALE, 20% SS, 20% LS

BGG 2800 – 4000U, CONN G 8000 – 9200U, DOWN TG 9105U @ 3937', HIGH GAS 9958U @ 3243'

BOP DRILLS FOR DAYLIGHTS 2 MIN, EVENING TOUR 58 SEC

FUNCTION TESTED RAM

FUEL ON HAND 5600 GALS, FUEL USED 1100 GALS

SAFETY MEETING: RIG SERVICE/CONNECTIONS/WIRELINE SURVEYS

NO INCIDENTS OR ACCIDENTS

FULL CREWS

TEMP 32 DEGREES

10-28-2006 Reported By KEN MCINTYRE

Daily Costs: Drilling	\$33,416	Completion	\$0	Daily Total	\$33,416
Cum Costs: Drilling	\$687,424	Completion	\$0	Well Total	\$687,424

MD 5,743 TVD 5,743 Progress 1,152 Days 3 MW 10.0 Visc 35.0
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL ROTATE 4591' – 4747', 156', ROP 104 FPHR, WOB 28, RPM 50/62 MTR, SPM 120, GPM 420, OFF BTM 1500 PSI, ON BTM 1800 PSI.
08:00	08:30	0.5	SERVICE RIG, OPERATE PIPE RAMS.
08:30	12:00	3.5	DRILL ROTATE 4747' – 4966', 219', ROP 73, WOB 28, RPM 50/65, SPM 122, GPM 427, OFF BTM 1400 PSI, ON BTM 1825 PSI.
12:00	13:00	1.0	SURVEY DEPTH @ 4850', 1.75 DEG.
13:00	06:00	17.0	DRILL ROTATE 4966' – 5743', 777', ROP 51.8, WOB 15/28, RPM 50/65, SPM 122, GPM 427, OFF BTM 1500 PSI, ON BTM 1950 PSI.

VIS 38, WT 10.0
 PU 152, SO 135, ROT 145

SPR #1 @ 71 SPM 500 PSI, #2 @ 74 SPM 375 PSI

NO INCIDENTS OR ACCIDENTS

CREWS FULL

SAFETY MEETING: 100% TIE OFF/SAFETY KEEPERS & PIN/CONNECTIONS

TEMP 35 DEGREES

FUEL ON HAND 4300 GAL, FUEL USED 1300 GAL

LITHOLOGY, 45% SHALE, SS 35%, LS 30%

BG 300 - 500U, CONN G 4000 - 6000U, DT G 9816U @ 4966', H G 9816U @ 4966'

WASATCH 5058', CHAPITA WELLS 5651'

10-29-2006		Reported By		KEN MCINTYRE							
Daily Costs: Drilling		\$39,768		Completion		\$0		Daily Total		\$39,768	
Cum Costs: Drilling		\$727,192		Completion		\$0		Well Total		\$727,192	
MD	6,746	TVD	6,746	Progress	1,003	Days	4	MW	10.2	Visc	40.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: TRIP											
Start	End	Hrs	Activity Description								
06:00	13:00	7.0	DRILL ROTATE 5743' – 6085' , 342' , ROP 57, WOB 32, RPM 50/65, SPM 122, GPM 427, OFF BTM 1525 PSI, ON BTM 1900 PSI.								
13:00	13:30	0.5	SERVICE RIG. FUNCTION TEST PIPE RAMS & HCR. CHECK CROWN-O-MATIC.								
13:30	04:15	14.75	DRILL ROTATE 6085' – 6746' , 661' , ROP 45.5 FPHR, WOB 34, RPM 50/65, SPM 122, GPM 427, OFF BTM 1750 PSI, ON BTM 2025 PSI. TIME CHANGE (FALL BACK).								
03:15	04:15	1.0	SET CLOCKS BACK 1 HR FOR DST. (FINISH DRILLING TO 6746')								
04:15	05:00	0.75	SLUG PIPE & DROP SURVEY.								
05:00	06:00	1.0	TRIP FOR ROP.								

MUD VIS 39, WT 10.5

SPR #1 @ 71 STKS 560 PSI

SPR #2 @ 74 STKS 375 PSI

BOILER 19 HRS

FUEL ON HAND 6800 GAL, FUEL USED 1500 GAL

NO INCIDENTS OR ACCIDENTS

CREWS FULL

SAFETY MEETING: PPE/PULLING SLIPS

TEMP 32 DEGREES CLEAR

LITHOLOGY, SH 55%, SS 45%

BUCK CANYON 6318'

BGG 200 - 300U, CONN G 500 - 600U, HIGH GAS 9245U @ 5768'

10-30-2006	Reported By	KEN MCINTYRE			
Daily Costs: Drilling	\$46,741	Completion	\$0	Daily Total	\$46,741
Cum Costs: Drilling	\$771,621	Completion	\$0	Well Total	\$771,621

MD 7,136 TVD 7,136 Progress 378 Days 5 MW 10.5 Visc 37.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:45	2.75	TRIP OUT FOR BIT.
08:45	09:30	0.75	LD & PU MTR & BIT.
09:30	12:30	3.0	TRIP IN BRIDGED OFF @ 4825'. LD 4 JTS DP & RIH WITH 1 STD DP.
12:30	13:15	0.75	WASH/REAM 4825' - 4967', 142', WOB 2/6, RPM 50/65, SPM 120, GPM 420.
13:15	14:00	0.75	TRIP IN TO 6715'.
14:00	14:15	0.25	WASH/REAM 6715' - 6746', 31', WOB 2/4, RPM 50/65, SPM 120, GPM 420.
14:15	15:00	0.75	DRILL ROTATE 6746' - 6758', 12', ROP 16 FPHR, WOB 5/10, RPM 50/65, SPM 120, GPM 420, OFF BTM 1450 PSI, ON BTM 1550 PSI.
15:00	15:45	0.75	SURVEY @ 6680', 3 DEGREES.
15:45	06:00	14.25	DRILL ROTATE 6758' - 7136', 378', ROP 26.53, RPM 50/65, SPM 120, GPM 420, OFF BTM 1750 PSI, ON BTM 2100 PSI.

PU 180, SO 158, ROT 168

VIS 40, WT 11.0#

SPR #1 @ 70 STKS 600 PSI

SPR #2 @ 74 STKS 525 PSI

NO INCIDENTS & NO ACCIDENTS

CREWS SHORT ONE HAND ON MORNING TOUR.

SAFETY MEETING, TRIPPING, WIRELINE SURVEY, BOILER

FUEL ON HAND 5800 GAL, FUEL USED 1000 GAL, BOILER 8 HRS

TEMP 35 DEGREES

LITHOLOGY:

SS 60%, SH 40%

BG 80 - 120U, CONN G 200 - 300U, TRIP G 5668U @ 6746', HIGH G 5668U @ 6746'

NORTH HORN 6908'

10-31-2006 Reported By KEN MCINTYRE

Daily Costs: Drilling	\$38,686	Completion	\$3,687	Daily Total	\$42,373
-----------------------	----------	------------	---------	-------------	----------

Cum Costs: Drilling	\$810,308	Completion	\$3,687	Well Total	\$813,995
---------------------	-----------	------------	---------	------------	-----------

MD 7,770 TVD 7,770 Progress 634 Days 6 MW 11.0 Visc 41.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILL ROTATE 7136' - 7255', 119', ROP 26.44 FPHR, WOB 25K, SPM 120, GPM 420, OFF BTM 1875 PSI, ON BTM 2100 PSI.
10:30	11:00	0.5	SERVICE RIG. WORK ANNULAR & CHECK CROWN-O-MATIC.
11:00	06:00	19.0	DRILL ROTATE 7255' - 7770', 515', ROP 27.11 FPHR, WOB 25K, SPM 120, GPM 420, OFF BTM 1875 PSI, ON BTM 2100 PSI.

PU 188, ROT 175, SO 170

DEPTH 7595

SPR #1 @ 71SPM 700 PSI

SPR #2 @ 74 SPM 625 PSI

FUEL ON HAND 4600 GALS, FUEL USED 1200 GALS, BOILER 19 HRS

CREW FULL

SAFETY MEETING: FORK LIFT/PPE/CASING

NO INCIDENTS OR ACCIDENTS

TEMP 34 DEGREES

LITHOLOGY: PRICE RIVER 7652'

NORTH HORN 6908'

SH 60%, SS 35%, SLSTN 5%

BG G 160 - 220U, CONN G 300 - 500U, HIGH G 5597U @ 7652'

MUD VIS 41, WT 11#

11-01-2006		Reported By		KEN MCINTYRE							
Daily Costs: Drilling		\$33,592		Completion		\$4,205		Daily Total		\$37,797	
Cum Costs: Drilling		\$843,900		Completion		\$7,892		Well Total		\$851,793	
MD	8,241	TVD	8,241	Progress	471	Days	7	MW	11.1	Visc	39.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL ROTATE 7770' - 7931', 161', ROP 23 FPHR, WOB 25K, SPM 120, GPM 420, OFF BTM 1850 PSI, ON BTM 2125 PSI.
13:00	13:30	0.5	SERVICE RIG. FUNCTION TEST PIPE RAMS & HCR, KELLY COCKS & FLOOR VALVES. CHECK CROWN-O-MATIC.
13:30	14:30	1.0	DRILL ROTATE 7931' - 7962', 31', ROP 31 FPHR, WOB 25, SPM 120, GPM 420, OFF BTM 1825 PSI, ON BTM 2125 PSI.
14:30	15:00	0.5	WORK TIGHT CONN @ 7962'.
15:00	19:00	4.0	DRILL ROTATE 7962' - 8064', 102', ROP 25.5 FPHR, WOB 25, SPM 120, GPM 420, OFF BTM 1825 PSI, ON BTM 2100 PSI.
19:00	20:30	1.5	LOST RETURNS, 80 BBLs. PUMP 2 LCM SWEEPS WITH POLY SWELL @ 70 SPM.
20:30	06:00	9.5	DRILL ROTATE 8064' - 8231', 167', ROP 17.57 FPHR, WOB 18/25, SPM 90/112, GPM 315/392, OFF BTM 1750 PSI, ON BTM 2025 PSI.

PU 198, SO 178, ROT 183

MUD 40, VIS 11.3#

DEPTH OF SPR 8117 FF

#1 SPR @ 70 SPM 750 PSI

#2 SPR @ 74 SPM 650 PSI

FUEL ON HAND 3200 GAL, FUEL USED 1400 GAL

CREWS FULL

NO INCIDENTS OR ACCIDENTS

SAFETY MEETING: BOILER & STEAM LINES/TIGHT CONN/MIXING MUD

TEMP 31 DEGREES

LITHOLOGY 50% SS, SS 40%, SLSTN 10%

BGG 120 – 220u, CONN G 800 – 2200u, HIGH G 7616U @ 8055'

11-02-2006 **Reported By** KEN MCINTYRE

Daily Costs: Drilling	\$57,542	Completion	\$0	Daily Total	\$57,542
Cum Costs: Drilling	\$901,443	Completion	\$7,892	Well Total	\$909,336
MD	8.436	TVD	8.436	Progress	195
Days	8	MW	11.2	Visc	40.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: TRIP

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL ROTATE 8241 – 8333', 92', ROP 14.15 FPHR, WOB 25K, SPM 115, GPM 403, OFF BTM 1775 PSI, ON BTM 1900 PSI.
13:00	13:30	0.5	SERVICE RIG, WORK PIPE RAMS & HCR, CHECK COM.
13:30	22:00	8.5	DRILL ROTATE 8333 – 8436, 136 FT, ROP 16.0, WOB 25/28, SPM 115, GPM 403, OFF BTM 1800 PSI, ON BTM 1975 PSI. VIS 40 WT 11.5.
22:00	23:00	1.0	SLUG PIPE & DROP SURVEY & CHECK FOR FLOW, NO FLOW.
23:00	02:00	3.0	TRIP OUT FOR ROP.
02:00	02:30	0.5	LD/PU BIT, CHECKED SURVEY MISRUN, MTR CHECKED GOOD.
02:30	06:00	3.5	TRIP IN BOP DRILL WHILE TRIPPING. FILL PIPE @ SHOE AT 2378', 5100' & 8376'.

NO INCIDENTS OR ACCIDENTS

SAFETY MEETING: UNLOADING MUD/AIR TUGGERS/TRIPPING

EVENING TOUR BOP DRILL 30 SEC TO STATIONS

MORNING TOUR TRIPPING BOP DRILL 2 MIN TO READY

CREWS FULL

FUEL ON HAND 6000 GAL, FUEL USED 1200 GAL

TEMP 29 DEG

LITHOLOGY: SH 50%, SS 40%, SLSTN 10%

BGG 150 – 220U, CONN G 800 – 1200U, HIGH G 6078U CG/FG @ 8210'

11-03-2006 **Reported By** KEN MCINTYRE

Daily Costs: Drilling	\$38,521	Completion	\$2,992	Daily Total	\$41,514
Cum Costs: Drilling	\$939,964	Completion	\$10,885	Well Total	\$950,850
MD	8.965	TVD	8.965	Progress	529
Days	9	MW	11.6	Visc	41.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILL ROTATE 8436 – 8549, 113', ROP 28.25 FPHR, WOB 15/20K, SPM 110, GPM 392, OFF BTM 1750 PSI, OFF BTM PSI.
10:00	10:30	0.5	SERVICE RIG. FUNCTION TEST PIPE RAMS, HCR & KELLY COCKS. CHECK CROWN-O-MATIC.
10:30	06:00	19.5	DRILL ROTATE 8549 – 8965, 416', ROP 21.33 FPHR, WOB 15/25K, SPM 110, GPM 385 GAL, OFF BTM 1875 PSI, ON BTM 2125 PSI.

BOILER 14 HRS

MUD VIS 39, WEIGHT 12.0 PPG

SPR #1 @ 70 SPM 725 PSI
 SPR #2 @ 73 SPM 625 PSI
 PU WT 210, SO WT 180, ROT WT 198

FUEL ON HAND 4800 GAL, FUEL USED 1200 GAL
 NO INCIDENTS OR ACCIDENTS
 SAFETY MEETING: MSDS/SLINGING DRILL PIPE/WORKING ON PUMPS
 CREWS FULL
 TEMP 35 DEGREES

LITHOLOGY:
 SS 50%, SH 45%, SLSTN 5%
 BG G 500 - 800U, CONN G 3800 - 5800U, HIGH G 8768U @ 8592'

11-04-2006 **Reported By** KEN MCINTYRE

Daily Costs: Drilling	\$35,462	Completion	\$0	Daily Total	\$35,462
Cum Costs: Drilling	\$975,426	Completion	\$10,885	Well Total	\$986,312

MD 9,008 **TVD** 9,008 **Progress** 43 **Days** 10 **MW** 11.95 **Visc** 46.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILDING VOLUME

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL ROTATE 8965' - 9008', 43', 4.77 ROP, WOB 20/24K, SPM 110, GPM 385, OFF BTM 1800 PSI, ON BTM 2025 PSI.
15:00	16:00	1.0	CIRCULATE BTMS UP FOR TRIP.
16:00	16:30	0.5	SLUG PIPE DROP SURVEY.
16:30	22:00	5.5	TRIP OUT FOR BIT TIGHT 40/50 OVER 9008' - 8543'. WORKED TIGHT SPOTS @ 6075', 5962', 5561', 4995 - 4820'. LOST 92 BBLs OVER CAL/FILL.
22:00	22:30	0.5	LD & PU MTRS & BITS. SURVEY MISS-RUN.
22:30	23:30	1.0	TRIP IN HOLE TO SHOE.
23:30	00:30	1.0	SLIP & CUT DRILL LINE.
00:30	00:45	0.25	FILL PIPE.
00:45	03:30	2.75	TRIP IN HOLE FILL PIPE @ 5000'. LOST 150 BBLs ON TRIP IN, WENT TO BTM WITH NO REAL TIGHT HOLE OR BRIDGES.
03:30	04:30	1.0	WASH/REAM TO BTM PUMP POLY SWELL, DRILL STING PLUGGED. TOTAL MUD LOST ON TRIP WAS 242 BBLs.
04:30	06:00	1.5	BUILD VOLUME TO TRIP OUT WITH PLUG BIT/DRILL STRING.

FUEL ON HAND 3800 GAL
 FUEL USED 100 GAL
 BOILER 15 HRS
 NO INCIDENTS OR ACCIDENTS
 CREWS FULL
 SAFETY MEETING: HIGH PRESSURE LINE, TRIP OUT, TRIP IN

LITHOLOGY: SS 45%, SH 40%, SLSTN 15%
 BG G 300 - 500U, CONN 1200 - 1500U, HIGH G 5116U FG @ 8948'
 MUD VIS 42 WT 11.9

11-05-2006 Reported By KEN MCINTYRE

Daily Costs: Drilling	\$44,483	Completion	\$0	Daily Total	\$44,483
Cum Costs: Drilling	\$1,019,910	Completion	\$10,885	Well Total	\$1,030,795

MD	9,172	TVD	9,172	Progress	164	Days	11	MW	11.7	Visc	34.0
-----------	-------	------------	-------	-----------------	-----	-------------	----	-----------	------	-------------	------

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
--------------------	-------------------	---------------	------------------------

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00	2.0	BUILD VOLUME FOR TRIP OUT.
08:00	15:00	7.0	TRIP OUT WITH PLUGGED DRILL STRING, KELL UP ON EVERY 15 STDS TRY TO GET CIRCULATION, PLUG 3 JTS DP @ 1407' - 1344', PLUGGED @ JARS AND 3 JTS HWTDP BUT WE UNPLUGGED THE HWTDP. ONE JET ON BIT PLUGGED. LOST 124 BBLS.
15:00	18:00	3.0	TRIP WITH BHA ONPEN ENDED AND CIRCULATED. TRIP OUT W/BHA.
18:00	18:30	0.5	UNLOAD STRAP & CALIPER NEW MTR & JARS. PICK UP MTR & BIT.
18:30	20:30	2.0	TRIP IN FILL PIPE. CIRCULATE @ SHOE AND 5000'.
20:30	21:00	0.5	CIRCULATE BTMS UP.
21:00	22:00	1.0	TRIP IN TO 5100'.
22:00	22:30	0.5	CIRCULATE BTMS UP.
22:30	00:00	1.5	TRIP IN TO 8980'.
00:00	00:15	0.25	WASH/REAM 8980' - 9008', 28'.
00:15	06:00	5.75	DRILL ROTATE 9008' - 9172', 164', ROP 28.52, WOB 18K, RPM , SPM 110, GPM 385, OFF BTM 1925 PSI, ON BTM 2150 PSI.

FUEL ON HAND 3000 GALS, FUEL USED 800 GAL

BOILER 21 HRS

NO INCIDENTS OR ACCIDENTS

SAFETY MEETING: TRIPPING/MIXING CHEMICALS/LAYING DOWN PIPE

CREWS FULL

SPR DEPTH 9036'

MUD VIS 42 WT 11.7

SPR #1 @ 70 SPM 850 PSI

SPR #2 @ 72 SPM 730 PSI

PU WEIHT 200K, SO 190K, ROT 193K

LITHOLOGY:

KMV PRICE RIVER 8472.

SS 25%, SH 65%, SLSTN 10%

BG G 1500U, CONN G 4000U, TRIP G 9371U, HIGH G 4712U @ 9095'

11-06-2006 Reported By KEN MCINTYRE

Daily Costs: Drilling	\$34,367	Completion	\$0	Daily Total	\$34,367
Cum Costs: Drilling	\$1,054,277	Completion	\$10,885	Well Total	\$1,065,162

MD	9,648	TVD	9,648	Progress	476	Days	12	MW	11.8	Visc	37.0
-----------	-------	------------	-------	-----------------	-----	-------------	----	-----------	------	-------------	------

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
--------------------	-------------------	---------------	------------------------

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL ROTATE 9172' - 9348', 176', 27.08 FPHR, WOB 15K, SPM 112, GPM 392, OFF BTM 2080 PSI, ON 2200 PSI.
12:30	13:00	0.5	SERVICE RIG. FUNCTION TEST ANNULAR.
13:00	06:00	17.0	DRILL ROTATE 9348' - 9648', 300', ROP 17.64, WOB 15K, RPM 42/61, OFF BTM 2000PSI, ON BTM 2225 PSI.

FUEL ON HAND 1900 GALS, FUEL USED 1100 GAL, BOILER 15 HRS

TEMP 32 DEGREES

CREWS FULL

SAFETY MEETING: BOILER/SLINGING PIPE/STEAM LINES

NO INCIDENTS OR ACCIDENTS

MUD VIS 41, WT 12

#1 SPR @ 69 SPM 825

#2 SPR @ 73 SPM 725

PU 210K, SO 195K, ROT 200K

LITHOLOGY:

SS 25%, SH 65%, SLSTN 10%

BG G 1100U, CONN G 6800U, HIGH G 8718U @ 9119'

11-07-2006 Reported By KEN MCINTYRE

Daily Costs: Drilling	\$50,985	Completion	\$0	Daily Total	\$50,985
-----------------------	----------	------------	-----	-------------	----------

Cum Costs: Drilling	\$1,105,263	Completion	\$10,885	Well Total	\$1,116,148
---------------------	-------------	------------	----------	------------	-------------

MD	9,900	TVD	9,900	Progress	252	Days	13	MW	12.0	Visc	39.0
----	-------	-----	-------	----------	-----	------	----	----	------	------	------

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
-------------	------------	--------	-----------------

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILL ROTATE 9648' - 9722', 74', ROP 21.14 FPHR, WOB 15/20K, RPM 46/62, SPM 110, GPM 385, OFF BTM 2025 PSI, ON BTM 2325 PSI.
09:30	10:00	0.5	SERVICE RIG. FUNTION TEST ANNULAR, PIPE RAMS & HCR. CHECK CROWN-O-MATIC.
10:00	18:30	8.5	DRILL ROTATE 9722' - 9840', 118', ROP 13.88 FPHR, WOB 15/20, RPM 46/62, SPM 110, GPM 385, OFF BTM 2025 PSI, ON BTM 2225 PSI.
18:30	19:30	1.0	CIRCULATE & SLUG PIPE. DROP SURVEY.
19:30	23:30	4.0	TRIP OUT OF HOLE. OPERATE BLIND RAMS.
23:30	00:00	0.5	PU LD BITS. NO SURVEY, DRILLER FORGOT TO PUT END ON CLOCK.
00:00	03:00	3.0	TRIP IN CIRCULATE @ SHOE & 5100', LOST 165 BBLs ON TRIP.
03:00	03:15	0.25	WASH/REAM 9808' - 9840', 32', WOB 2/4, RPM 46, SPM 100, GPM 350, OFF BTM 1975 PSI.
03:15	06:00	2.75	DRILL ROTATE 9840' - 9900', 60', ROP 21.81, WOB 15/18K, SPM 100, GPM 350, OFF BTM 2200 PSI, ON BTM 2350 PSI.

FUEL ON HAND 3000 GAL, FUEL USED 1400 GAL

BOILER 22 HRS

CREWS FULL

SAFETY MEETING: STEAM/100% TIE OFF/TRIPPING

NO INCIDENTS OR ACCIDENTS

TEMP 38 DEG

MUD VIS 43 WEIGHT 12.4#

SPR #1 @ 69 SPM 850 PSI

SPR #2 @ 72 SPM 750 PSI

PU 215, SO 195, ROT 205

BKG GAS 2100U, CONN GAS 7800U, TRIP GAS 9118U, HIGH GAS 8625U @ 9712' FG

LITHOLOGY: SS 50%, SH 35%, SLTSTN 15%

3 SHOWS

FORMATION TOPS: SEGO @ 9738'

11-08-2006 **Reported By** KEN MCINTYRE

Daily Costs: Drilling	\$46,265	Completion	\$34,069	Daily Total	\$80,334
Cum Costs: Drilling	\$1,151,528	Completion	\$44,955	Well Total	\$1,196,483

MD	9,910	TVD	9,910	Progress	10	Days	14	MW	12.0	Visc	39.0
-----------	-------	------------	-------	-----------------	----	-------------	----	-----------	------	-------------	------

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
--------------------	-------------------	---------------	------------------------

Activity at Report Time: CEMENT 4.5" CASING

Start	End	Hrs	Activity Description
06:00	06:15	0.25	DRILL ROTATE 9900 - 9910' TD, 10', ROP 40 FPHR, WOB 20K, SPM 110, GPM 385, OFF BTM 1950 PSI, ON BTM 2250 PSI. REACHED TD AT 06:15 HRS, 11/7/06.
06:15	07:00	0.75	CIRCULATE & SLUG PIPE.
07:00	08:00	1.0	WIPER TRIP/SHORT TRIP, NO PROBLEMS.
08:00	11:00	3.0	CIRCULATE TO LD PIPE, LOST 110 BBLs. BUILDING LCM SLUGS & VOLUME.
11:00	11:30	0.5	SLUG PIPE & DROP SURVEY. PRE JOB SAFETY MEETING WITH FRANKS WESTATES & RIG CREWS ON LAYING DOWN DP, HWTDP & DC.
11:30	19:00	7.5	LD DRILL PIPE & BREAK KELLY. LD BHA, PULL WEAR BUSHING, NO HOLE PROBLEMS.
19:00	20:00	1.0	RU/RD SERVICE TOOLS. PRE-JOB SAFETY MEETING ON RUNNING CASING.
20:00	01:30	5.5	RUN 233 JTS (230 FULL JTS + 2 MARKER JTS + 1 PUP JT) OF 4 1/2", 11.6 PPF, HC P-110, LTC PRODUCTION CASING. LANDED AT 9910' KB. RAN AS FOLLOWS: FLOAT SHOE, 1 JT CASING, FLOAT COLLAR AT 9864', 53 JTS CASING, MARKER JT @ 7630', 70 JTS CASING, MARKER JT @ 4621', 105 JTS CASING, 1 PUP JT AT 115', 2 JTS CASING AND 1 PUP JT DTO AND LANDING JOINT FOR A TOTAL 9907'.
01:30	02:00	0.5	WASH THRU TIGHT SPOT @ 8276'.
02:00	03:30	1.5	RUN CASING. TAG BOTTOM LD 1 JT CASING. PU DTO HEAD. CIRCULATING SWEDGE.
03:30	05:00	1.5	CIRCULATE BTMS UP. RIG DOWN CASING CREW & LD MACHINE. GET SCHLUMBERGER TRUCKS IN PLACE AND READY.
05:00	05:30	0.5	PRE-JOB SAFETY MEETING WITH RIG CREW & SCHLUMBERGER CEMENTERS. PRESSURE TEST LINES TO 5000 PSI.
05:30	06:00	0.5	CEMENTING FULL REPORT TO FOLLOW.

FUEL ON HAND 2300 GAL, FUEL USED 800 GAL

MUD VIS 38 WEIGHT 12.2

PU 125, SO 100, STRING 108K

CREWS FULL

SAFETY MEETING: LD DRILL STRING/RUNNING CASING/CEMENTING

NO INCIDENTS OR ACCIDENTS

11-09-2006 Reported By KEN MCINTYRE

Daily Costs: Drilling	\$48,014	Completion	\$157,352	Daily Total	\$205,366
Cum Costs: Drilling	\$1,199,543	Completion	\$202,307	Well Total	\$1,401,850

MD	9,910	TVD	9,910	Progress	0	Days	15	MW	0.0	Visc	0.0
----	-------	-----	-------	----------	---	------	----	----	-----	------	-----

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
-------------	------------	--------	-----------------

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

06:00	07:30	1.5	RIG UP SCHLUMBERGER. TEST LINES TO 5000 PSI. PUMPED 20 BBLS OF CW-100 AND 20 BBLS OF FRESH WATER. CEMENT LEAD WITH 545 SKS OF POZ: G + 4% D020 + 2% D174 + .25#/SK D029 + .2% D046 + .75% D112 + .2% D013 35:65 POZ G, MIXED AT 13.0 PPG (YIELD 1.75 WITH 8.8 GPS H2O) AND TAIL WITH 1580 SKS 50:50 POZ:G + 2% D020 + .2% D065 + .2% D167 + .1% D046 + .075% D013, MIXED AT 14.1 PPG (YIELD 1.29 WITH 5.96 GPS H2O) TAIL. DISPLACED WITH FRESH WATER + 2 GAL/1000 L064. AVERAGE MIX AND DISPLACE RATE 6 BPM. FINAL PUMP PRESSURE 2400 PSI AT 2 BPM. BUMPED PLUG TO 3500 PSI. FLOATS DIDN'T HOLD. PRESSURE BACK UP WITH 3000 PSI AND MONITORING FOR 4 HRS.
-------	-------	-----	---

07:30	11:30	4.0	HOLD 3000 PSI ON HEAD WITH SCHLUMBERGER. RELEASED PRESSURE FLOW BACK 1.5 BBLS. LAND CASING ON HANGER W/98,000 # STRING WEIGHT W/O BLOCKS CONFIRM HANGER SETTING & TEST TO 5,000 PSI FOR 15 MIN.
-------	-------	-----	---

11:30	13:00	1.5	RIG DOWN SCHLUMBERGER. ROTATE LANDING JT TO THE RIGHT TO BACK OUT OF IT 7 ROUNDS. NIPPLE DOWN & CLEAN MUD TANKS.
-------	-------	-----	--

NEXT WELL BADLANDS 1-01 (RIG MOVE 87.5 MILES)

TRUCKS SCHEDULED FOR 07:00 HRS 11/10/06

TRANSFERED TO BADLANDS 1-01:

1900 GALS DIESEL FUEL @ \$2.544 P/GAL

6 JTS 4 1/2", 11.6#, HC P-110, LT&C CASING (251.23' WITH THREADS OFF)

1 MARKER JT 4 1/2", 11.6#, HC P-110, LT&C (19.74 WITH THREADS)

13:00	11.0	RIG RELEASED @ 13:00 HRS, 11/08/06.
		CASING POINT COST \$1,196,753

11-16-2006 Reported By SEARLE

Daily Costs: Drilling	\$0	Completion	\$45,950	Daily Total	\$45,950
Cum Costs: Drilling	\$1,199,543	Completion	\$248,257	Well Total	\$1,447,800

MD	9,910	TVD	9,910	Progress	0	Days	16	MW	0.0	Visc	0.0
----	-------	-----	-------	----------	---	------	----	----	-----	------	-----

Formation :	PBTD : 9864.0	Perf :	PKR Depth : 0.0
-------------	---------------	--------	-----------------

Activity at Report Time: PREP FOR FRAC

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

06:00	06:00	24.0	11/14/06 - MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 1000'. EST CEMENT TOP @ 1330'. RD SCHLUMBERGER.
-------	-------	------	--

11-18-2006 Reported By SEARLE

Daily Costs: Drilling	\$0	Completion	\$750	Daily Total	\$750
Cum Costs: Drilling	\$1,199,543	Completion	\$249,007	Well Total	\$1,448,550

MD	9,910	TVD	9,910	Progress	0	Days	17	MW	0.0	Visc	0.0
----	-------	-----	-------	----------	---	------	----	----	-----	------	-----

Formation : MESAVERDE	PBTD : 9864.0	Perf :	PKR Depth : 0.0
-----------------------	---------------	--------	-----------------

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU WS. TESTED CASING & TREE TO 8500 PSIG. RD WSS. WO COMPLETION.

11-21-2006 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	\$9,435	Daily Total	\$9,435						
Cum Costs: Drilling	\$1,199,543	Completion	\$258,442	Well Total	\$1,457,985						
MD	9,910	TVD	9,910	Progress	0	Days	18	MW	0.0	Visc	0.0
Formation : MESAVERDE		PBSD : 9864.0		Perf : 8463'-9570'		PKR Depth : 0.0					

Activity at Report Time: FRAC UPR

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RU CUTTERS WIRELINE. PERFORATED LPR FROM 9310'-11', 9320'-21', 9335'-36', 9343'-44', 9376'-77', 9402'-03', 9434'-35', 9456'-57', 9462'-63', 9505'-06', 9550'-51' & 9569'-70' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4963 GAL YF125ST PAD, 43841 GAL YF125ST & YF118ST WITH 131300# 20/40 SAND @ 1-6 PPG. MTP 7104 PSIG. MTR 50.8 BPM. ATP 5615 PSIG. ATR 46.3 BPM. ISIP 3420 PSIG. RD SCHLUMBERGER.
RUWL. SET 10K CFP AT 9285'. PERFORATED MPR FROM 9110'-12', 9137'-38', 9151'-52', 9182'-84', 9200'-02', 9220'-21', 9142'-43', 9252'-53' & 9268'-69' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4936 GAL YF125ST PAD, 52016 GAL YF125ST & YF118ST WITH 169800# 20/40 SAND @ 1-6 PPG. MTP 7565 PSIG. MTR 50.7 BPM. ATP 6031 PSIG. ATR 47.3 BPM. ISIP 3780 PSIG. RD SCHLUMBERGER.			
RUWL. SET 10K CFP AT 9080'. PERFORATED MPR FROM 8888'-90', 8901'-02', 8917'-18', 8932'-33', 8946'-48', 8960'-61', 9005'-06', 9015'-16', 9036'-37' & 9061'-62' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4942 GAL YF125ST PAD, 55622 GAL YF125ST & YF118ST WITH 191900# 20/40 SAND @ 1-6 PPG. MTP 7885 PSIG. MTR 49.6 BPM. ATP 6725 PSIG. ATR 47.1 BPM. ISIP 4140 PSIG. RD SCHLUMBERGER.			
RUWL. SET 10K CFP AT 8860'. PERFORATED MPR FROM 8683'-84', 8694'-95', 8716'-17', 8735'-36', 8752'-53', 8760'-61', 8785'-87', 8808'-09', 8821'-22' & 8840'-42' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4936 GAL YF123ST PAD, 56594 GAL YF123ST & YF118ST WITH 192000# 20/40 SAND @ 1-6 PPG. MTP 6892 PSIG. MTR 50.5 BPM. ATP 5149 PSIG. ATR 46.9 BPM. ISIP 2330 PSIG. RD SCHLUMBERGER.			
RUWL. SET 10K CFP AT 8655'. PERFORATED MPR FROM 8463'-64', 8477'-78', 8492'-93', 8519'-20', 8530'-31', 8548'-50', 8568'-69', 8582'-83', 8593'-94', 8625'-26' & 8638'-39' @ 3 SPF & 120° PHASING. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4944 GAL YF123ST PAD, 55914 GAL YF123ST & YF118ST WITH 191700# 20/40 SAND @ 1-6 PPG. MTP 6729 PSIG. MTR 52 BPM. ATP 5120 PSIG. ATR 48.5 BPM. ISIP 2960 PSIG. RD SCHLUMBERGER. SDFN.			

11-22-2006 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	\$391,287	Daily Total	\$391,287						
Cum Costs: Drilling	\$1,199,543	Completion	\$649,729	Well Total	\$1,849,272						
MD	9,910	TVD	9,910	Progress	0	Days	19	MW	0.0	Visc	0.0
Formation : MESAVERDE		PBSD : 9864.0		Perf : 7649-9570		PKR Depth : 0.0					

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	13:30	7.5	SICP 2190 PSIG. RUWL. SET 10K CFP AT 8420'. PERFORATED UPR FROM 8142'-43', 8153'-54', 8178'-79', 8202'-03', 8212'-14', 8233'-34', 8249'-50', 8276'-77', 8296'-97', 8314'-15', 8326'-27', 8350'-51' & 8286'-87' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4939 GAL YF123ST PAD, 42689 GAL YF123ST & YF118ST WITH 131000# 20/40 SAND @ 1-6 PPG. MTP 6647 PSIG. MTR 49.8 BPM. ATP 5210 PSIG. ATR 45.9 BPM. ISIP 3050 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8100'. PERFORATED UPR FROM 7808'-09', 7823'-24', 7848'-49', 7866'-67', 7892'-93', 7917'-18', 7939'-40', 7960'-61', 7996'-97', 8025'-26', 8053'-55', 8078'-79' & 8085'-86' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4941 GAL YF123ST PAD, 42477 GAL YF123ST & YF118ST WITH 130600# 20/40 SAND @ 1-6 PPG. MTP 7098 PSIG. MTR 50.9 BPM. ATP 5457 PSIG. ATR 46.7 BPM. ISIP 2790 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7750'. PERFORATED UPR FROM 7649'-50', 7657'-58', 7671'-73', 7680'-81', 7697'-98', 7706'-07', 7716'-18' & 7726'-27' @ 3 SPF & 120° PHASING. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4941 GAL YF123ST PAD, 45207 GAL YF123ST & YF118ST WITH 123200# 20/40 SAND @ 1-6 PPG. MTP 5575 PSIG. MTR 49.8 BPM. ATP 4472 PSIG. ATR 45.8 BPM. ISIP 2180 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7591'. BLEED OFF PRESSURE. RDWL. SDFN.

11-23-2006		Reported By		BAUSCH							
Daily Costs: Drilling		\$0		Completion		\$11,121		Daily Total		\$11,121	
Cum Costs: Drilling		\$1,199,543		Completion		\$660,850		Well Total		\$1,860,393	
MD	9,910	TVD	9,910	Progress	0	Days	20	MW	0.0	Visc	0.0
Formation : MESAVERDE		PBTD : 9864.0				Perf : 7649-9570				PKR Depth : 0.0	
Activity at Report Time: SD FOR HOLIDAY- PREP TO CLEAN OUT AFTER FRAC											
Start	End	Hrs	Activity Description								
07:00	15:00	8.0	MIRUSU. ND FRAC TREE. NU BOPE. RIH W/BIT & PUMP OFF BIT SUB TO CBP @ 7591'. SD FOR HOLIDAY.								

11-28-2006		Reported By		BAUSCH							
Daily Costs: Drilling		\$0		Completion		\$31,056		Daily Total		\$31,056	
Cum Costs: Drilling		\$1,199,543		Completion		\$691,906		Well Total		\$1,891,449	
MD	9,910	TVD	9,910	Progress	0	Days	21	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 9720.0			Perf : 7649-9570			PKR Depth : 0.0		
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								
07:00	06:00	23.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7591', 7750', 8100', 8420', 8655', 8860', 9080' & 9285'. RIH. CLEANED OUT TO PBTD @ 9720'. LANDED TBG AT 7623' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.								

FLOWED 15 HRS. 16/64" CHOKE. FTP 1950 PSIG. CP 2350 PSIG. 45 BFPH. RECOVERED 639 BLW. 9742 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'
 1 JT 2-3/8" 4.7# N-80 TBG 32.61'
 XN NIPPLE 1.10'
 197 JTS 2-3/8" 4.7# N-80 TBG 7570.91'
 BELOW KB 17.00'
 LANDED @ 7622.62' KB

11-29-2006	Reported By	BAUSCH			
DailyCosts: Drilling	\$0	Completion	\$8,197	Daily Total	\$8,197
Cum Costs: Drilling	\$1,199,543	Completion	\$700,103	Well Total	\$1,899,646

MD 9,910 TVD 9,910 Progress 0 Days 22 MW 0.0 Visc 0.0

Formation : MESAVERDE PBT D : 9720.0 Perf : 7649-9570 PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1960 PSIG. CP 2950 PSIG. 35 BFPH. RECOVERED 1024 BLW. 8718 BLWTR.

11-30-2006 Reported By BAUSCH

Daily Costs: Drilling	\$0	Completion	\$17,856	Daily Total	\$17,856
Cum Costs: Drilling	\$1,199,543	Completion	\$717,959	Well Total	\$1,917,502

MD 9,910 TVD 9,910 Progress 0 Days 23 MW 0.0 Visc 0.0

Formation : MESAVERDE PBT D : 9720.0 Perf : 7649-9570 PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1950 PSIG. CP 3200 PSIG. 32 BFPH. RECOVERED 843 BBLS, 7875 BLWTR. 160 BO.

12-01-2006 Reported By BAUSCH

Daily Costs: Drilling	\$0	Completion	\$2,602	Daily Total	\$2,602
Cum Costs: Drilling	\$1,199,543	Completion	\$720,561	Well Total	\$1,920,104

MD 9,910 TVD 9,910 Progress 0 Days 24 MW 0.0 Visc 0.0

Formation : MESAVERDE PBT D : 9720.0 Perf : 7649-9570 PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1850 PSIG. CP 3450 PSIG. 32 BFPH. RECOVERED 814 BLW. 7161 BLWTR.

12-02-2006 Reported By BAUSCH

Daily Costs: Drilling	\$0	Completion	\$2,775	Daily Total	\$2,775
Cum Costs: Drilling	\$1,199,543	Completion	\$723,336	Well Total	\$1,922,879

MD 9,910 TVD 9,910 Progress 0 Days 25 MW 0.0 Visc 0.0

Formation : MESAVERDE PBT D : 9720.0 Perf : 7649-9570 PKR Depth : 0.0

Activity at Report Time: WO FACILITIES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1750 PSIG. CP 2850 PSIG. 27 BFPH. RECOVERED 717 BLW. 6444 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 12/1/06

12-19-2006 Reported By CH LEMON

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$1,199,543	Completion	\$723,336	Well Total	\$1,922,879

MD 9,910 TVD 9,910 Progress 0 Days 26 MW 0.0 Visc 0.0

Formation : MESAVERDE PBT D : 9720.0 Perf : 7649-9570 PKR Depth : 0.0

Activity at Report Time: INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: TP 2100 PSIG & CP 3200 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 12:30 HRS, 12/18/06. FLOWED 990 MCFD RATE ON 12/64" CHOKE.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other										6. If Indian, Allottee or Tribe Name									
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resrv. . Other _____										7. Unit or CA Agreement Name and No. Chapita Wells Unit									
2. Name of Operator EOG Resources, Inc.										8. Lease Name and Well No. Chapita Wells Unit 1024-10									
3. Address 600 17th Street, Suite 1000N, Denver, CO 80202										3a. Phone No. (include area code) 303-824-5526									
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 613' FNL & 693' FWL (NWNW) 40.056125 LAT 109.433075 LON At top prod. interval reported below Same At total depth Same										9. AFI Well No. 43-047-36973									
10. Field and Pool, or Exploratory Natural Buttes/Mesaverde										11. Sec., T., R., M., on Block and Survey or Area Sec. 10-T9S-R22E									
12. County or Parish Uintah County										13. State UT									
14. Date Spudded 09/07/2006										15. Date T.D. Reached 11/07/2006									
16. Date Completed 12/18/2006 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.										17. Elevations (DF, RKB, RT, GL)* 4764' NAT GL									
18. Total Depth: MD 9910 TVD										19. Plug Back T.D.: MD 9720 TVD									
20. Depth Bridge Plug Set: MD TVD										21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/VDL/GR									
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)										23. Casing and Liner Record (Report all strings set in well)									
Hole Size										Size/Grade									
Wt. (#/ft.)										Top (MD)									
Bottom (MD)										Stage Cementer Depth									
No. of Sks. & Type of Cement										Slurry Vol. (BBL)									
Cement Top*										Amount Pulled									
12-1/4"										9-5/8"									
36.0#										J-55									
0-2365										0-9910									
7-7/8"										4-1/2"									
11.6#										P-110									
2-3/8"										7623									
24. Tubing Record										25. Producing Intervals									
Size										Depth Set (MD)									
Packer Depth (MD)										Size									
Depth Set (MD)										Packer Depth (MD)									
2-3/8"										7623									
26. Perforation Record										27. Acid, Fracture, Treatment, Cement Squeeze, etc.									
Formation										Top									
Bottom										Perforated Interval									
Size										No. Holes									
Perf. Status										Depth Interval									
Amount and Type of Material										9310-9570									
48,969 GALS GELLED WATER & 131,300# 20/40 SAND										9110-9269									
57,117 GALS GELLED WATER & 169,800# 20/40 SAND										8888-9062									
60,729 GALS GELLED WATER & 191,900# 20/40 SAND										8683-8842									
61,695 GALS GELLED WATER & 192,000# 20/40 SAND										28. Production - Interval A									
Date First Produced										Test Date									
Hours Tested										Test Production									
Oil BBL										Gas MCF									
Water BBL										Oil Gravity Corr. API									
Gas Gravity										Production Method									
12/18/2006										12/24/2006									
24										24									
50										668									
100										24 Hr. Rate									
Oil BBL										Gas MCF									
Water BBL										Gas/Oil Ratio									
Well Status										28a. Production - Interval B									
PRODUCING GAS WELL										Date First Produced									
Test Date										Hours Tested									
Test Production										Oil BBL									
Gas MCF										Water BBL									
Oil Gravity Corr. API										Gas Gravity									
Production Method										Choke Size									
Tbg. Press. Flwg. SI										Csg. Press. SI									
24 Hr. Rate										24 Hr. Rate									
Oil BBL										Gas MCF									
Water BBL										Gas/Oil Ratio									
Well Status										28b. Production - Interval C									
PRODUCING GAS WELL										Date First Produced									
Test Date										Hours Tested									
Test Production										Oil BBL									
Gas MCF										Water BBL									
Oil Gravity Corr. API										Gas Gravity									
Production Method										Choke Size									
Tbg. Press. Flwg. SI										Csg. Press. SI									
24 Hr. Rate										24 Hr. Rate									
Oil BBL										Gas MCF									
Water BBL										Gas/Oil Ratio									
Well Status										28c. Production - Interval D									
PRODUCING GAS WELL										Date First Produced									
Test Date										Hours Tested									
Test Production										Oil BBL									
Gas MCF										Water BBL									
Oil Gravity Corr. API										Gas Gravity									
Production Method										Choke Size									
Tbg. Press. Flwg. SI										Csg. Press. SI									
24 Hr. Rate										24 Hr. Rate									
Oil BBL										Gas MCF									
Water BBL										Gas/Oil Ratio									
Well Status										28d. Production - Interval E									
PRODUCING GAS WELL										Date First Produced									
Test Date										Hours Tested									
Test Production										Oil BBL									
Gas MCF										Water BBL									
Oil Gravity Corr. API										Gas Gravity									
Production Method										Choke Size									
Tbg. Press. Flwg. SI										Csg. Press. SI									
24 Hr. Rate										24 Hr. Rate									
Oil BBL										Gas MCF									
Water BBL										Gas/Oil Ratio									
Well Status										28e. Production - Interval F									
PRODUCING GAS WELL										Date First Produced									
Test Date										Hours Tested									
Test Production										Oil BBL									
Gas MCF										Water BBL									
Oil Gravity Corr. API										Gas Gravity									
Production Method										Choke Size									
Tbg. Press. Flwg. SI										Csg. Press. SI									
24 Hr. Rate										24 Hr. Rate									
Oil BBL										Gas MCF									
Water BBL										Gas/Oil Ratio									
Well Status										28f. Production - Interval G									
PRODUCING GAS WELL										Date First Produced									
Test Date										Hours Tested									
Test Production										Oil BBL									
Gas MCF										Water BBL									
Oil Gravity Corr. API										Gas Gravity									

*(See instructions and spaces for additional data on page 2)

~~RECEIVED~~

JAN 16 2007

DIV. OF OIL, GAS & MINING

28b. Production - Interval C									
Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
28c. Production - Interval D									
Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Mesaverde	7649	9570		Wasatch	5008
				Chapita Wells	5628
				Buck Canyon	6278
				North Horn	7052
				Upper Price River	7603
				Middle Price River	8444
				Lower Price River	9259
				Sego	9706

32. Additional remarks (include plugging procedure):

SEE ATTACHED SHEET.

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) **Mary A. Maestas**

Title **Regulatory Assistant**

Signature

Mary A. Maestas

Date **01/15/2007**

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Chapita Wells Unit 1024-10 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8463-8639	3/spf
8142-8387	2/spf
7808-8086	2/spf
7649-7727	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

8463-8639	61,023 GALS GELLED WATER & 191,700# 20/40 SAND
8142-8387	47,793 GALS GELLED WATER & 131,000# 20/40 SAND
7808-8086	47,583 GALS GELLED WATER & 130,600# 20/40 SAND
7649-7727	50,313 GALS GELLED WATER & 123,200# 20/40 SAND

Perforated the Lower Price River from 9310-9311', 9320-9321', 9335-9336', 9343-9344', 9376-9377', 9402-9403', 9434-9435', 9456-9457', 9462-9463', 9505-9506', 9550-9551' & 9569-9570' w/ 3 spf.

Perforated the Middle Price River from 9110-9112', 9137-9138', 9151-9152', 9182-9184', 9200-9202', 9220-9221', 9242-9243', 9252-9253' & 9268-9269' w/ 3 spf.

Perforated the Middle Price River from 8888-8890', 8901-8902', 8917-8918', 8932-8933', 8946-8948', 8960-8961', 9005-9006', 9015-9016', 9036-9037' & 9061-9062' w/ 3 spf.

Perforated the Middle Price River from 8683-8684', 8694-8695', 8716-8717', 8735-8736', 8752-8753', 8760-8761', 8785-8787', 8808-8809', 8821-8822' & 8840-8842' w/ 3 spf.

Perforated the Middle Price River from 8463-8464', 8477-8478', 8492-8493', 8519-8520', 8530-8531', 8548-8550', 8568-8569', 8582-8583', 8593-8594', 8625-8626' & 8638-8639' w/ 3 spf.

Perforated the Upper Price River from 8142-8143', 8153-8154', 8178-8179', 8202-8203', 8212-8214', 8233-8234', 8249-8250', 8276-8277', 8296-8297', 8314-8315', 8326-8327', 8350-8351' & 8386-8387' w/ 2 spf.

Perforated the Upper Price River from 7808-7809', 7823-7824', 7848-7849', 7866-7867', 7892-7893', 7917-7918', 7939-7940', 7960-7961', 7996-7997', 8025-8026', 8053-8055', 8078-8079' & 8085-8086' w/ 2 spf.

Perforated the Upper Price River from 7649-7650', 7657-7658', 7671-7673', 7680-7681', 7697-7698', 7706-7707', 7716-7718' & 7726-7727' w/ 3 spf.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0281
2. Name of Operator EOG RESOURCES INC		6. If Indian, Allottee or Tribe Name
Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526	8. Well Name and No. CHAPITA WELLS UNIT 1024-10
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T9S R22E NWNW 613FNL 693FWL 40.05613 N Lat, 109.43308 W Lon		9. API Well No. 43-047-36973
		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #58157 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature

Mary A. Maestas
(Electronic Submission)

Date 01/21/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

[Signature]

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

JAN 22 2008

DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
3180
UT-922

January 29, 2008

EOG Resources, Inc.
Attn: Debbie Spears
600 Seventeenth Street, Suite 1100N
Denver, Colorado 80202

Re: Initial Mesaverde Formation PA "Z"
Chapita Wells Unit
Uintah County, Utah

Gentlemen:

The Initial Mesaverde Formation Participating Area "Z", Chapita Wells Unit, CRS No. UTU63013AT, AFS No. 892000905AT, is hereby approved effective as of December 18, 2006, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The Initial Mesaverde Formation Participating Area "Z" results in an Initial Participating Area of 80.00 acres and is based upon the completion of Well No. 1024-10, API No. 43-047-36973, located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 10, Township 9 South, Range 22 East, SLM&B, Federal Unit Tract No. 1, Lease No. UTU0281, as being a well capable of producing unitized substances in paying quantities.

Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Initial Mesaverde Formation Participating Area "Z", Chapita Wells Unit, and the effective date.

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond
Chief, Branch of Fluid Minerals

Enclosure

RECEIVED

JAN 31 2008

DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
3180
UT-922

EOG Resources, Inc.
Attn: Debbie Spears
600 Seventeenth Street
Suite 1000N
Denver, Colorado 80202

July 23, 2008

Re: Consolidated Mesaverde Formation PA
"A-X,Z-AA-BB" Chapita Wells Unit
Uintah County, Utah

Dear Ms. Spears:

The Consolidated Mesaverde Formation PA "A-X,Z-AA-BB", Chapita Wells Unit, CRS No. UTU63013BE, AFS No. 892000905BE, is hereby approved effective as of July 1, 2007, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The Consolidated Mesaverde Formation PA "A-X,Z-AA-BB" results in an initial consolidated participating area of 15,812.03 acres and is based upon the completion the following wells as capable of producing unitized substances in paying quantities.

To 13650

WELL NO.	API NO.	LOCATION	LEASE NO.
CWU-1218-2	43-047-38320	NW¼NE¼, 2-9S-22E	STATE
CWU-1217-02	43-047-38345	NW¼NW¼, 2-9S-22E	STATE
CWU-1219-02	43-047-38344	NW¼SW¼, 2-9S-22E	STATE
CWU-833-3	43-047-37606	SW¼SE¼, 3-9S-22E	UTU0281
CWU-1176-10	43-047-37698	NE¼NE¼, 10-9S-22E	UTU0281
CWU-1213-11	43-047-38540	NE¼NE¼, 11-9S-22E	UTU0281
CWU-1094-27	43-047-37046	SE¼SE¼, 27-9S-23E	UTU0344A

Copies of the approved request are being distributed to the appropriate federal agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Consolidated Mesaverde Formation PA "A-X,Z-AA-BB", Chapita Wells Unit, and the effective date.

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond
Chief, Branch of Fluid Minerals

RECEIVED

JUL 28 2008

DIV. OF OIL, GAS & MINING

also
4304736973 CWU 1024-10
from 15645
Sec 10 9S 22E
Enclosure

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES
Address: 1060 East Highway 40
city VERNAL
state UT zip 84078

Operator Account Number: N 9550

Phone Number: (435) 781-9145

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36973	CHAPITA WELLS UNIT 1024-10		NWNW	10	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	15645	13650	9/7/2006		7/1/2007		
Comments: <u>MURD</u> <u>8/26/08</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mickenzie Thacker

Name (Please Print)

Signature

Operations Clerk

Title

8/21/2008

Date

(5/2000)

RECEIVED

AUG 21 2008

DIV. OF OIL, GAS & MINING